2023

Case Law Updates

LexOrbis Intellectual Property Attorneys & Advocates

Preface:

In 2023, India experienced a significant shift in its Intellectual Property (IP) regime, marked by a series of landmark developments. The year also witnessed revolutionary judicial pronouncements by Indian courts across various sub-sectors of the IP landscape.

This comprehensive compilation presents key insights into the most notable court decisions of 2023, encompassing a broad spectrum of IP-related issues. It includes landmark rulings on patentability disputes, interpretation and application of patent laws, the scope of claims, disputes over Standard Essential Patents (SEPs) and Fair, Reasonable, and Non-Discriminatory (FRAND) practices, as well as interpretations of Plant Varieties and Farmer's Rights laws, and more.

Judicial developments pertaining to trademark holders' rights, damages in trademark infringement and passing off cases, the establishment of well-known trademark rights, copyright infringement in the digital realm, royalty disputes, and related matters have also catalysed a paradigm shift in the application and perception of IP laws, presenting new opportunities for businesses and academic communities. Moreover, the Indian judiciary grappled with a multitude of disputes arising from emerging IP segments, including privacy and personality rights of celebrities, domain name conflicts, advertising and branding, Geographical Indications (GI), and design infringement.

These rulings not only establish new legal precedents but also underscore India's dedication to fostering an environment conducive to the protection and enforcement of IP rights, thereby fostering innovation and creativity. Hence, it is essential for all stakeholders to stay informed about the latest developments in this field to capitalise on the evolving landscape of intellectual property in India.

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TRADEMARKS

1. 'Honest and Concurrent Use' a Ground for Defence in Trademark Infringement Matter

Case: KEI Industries Limited vs Raman Kwatra and Another [FAO (OS) (Comm) 172/2022 and C.M. Appl. 30278/2022]

Forum: High Court of Delhi

Order Dated: January 6, 2023

Issue: Can the ground of 'honest and concurrent use' be a defence in the case of trademark infringement? What is the effect of the principle of estoppel if contrary submissions are made while replying to an examination report issued by the Trade Marks Registry? Can the doctrine of '*ejusdem* *generis*' be applied in the specification of goods covered in a trademark application?

Order: The appellant had filed the present appeal against the order of the Single Judge whereby in the plaintiff-respondent's suit against the appellant for trademark infringement *qua* use of their mark 'KEI', an application for interim injunction/restraint was allowed. The appellant was engaged in the business of manufacturing electrical fans and other appliances. In contrast, the respondent was engaged in the business of manufacturing, marketing and selling wires and cables.

The respondent claimed that they had been using the trademark/trade name "KEI" since 1968, which was thereafter registered in 1988 in class 9 for wires and cables. Subsequently, the respondent registered the word mark KEI in its name for Classes 6, 16, 35, 37 and 42, followed by the respondent adopting the mark KEI (logo) in 2007. The respondent contended that the mark KEI had acquired goodwill and reputation in the market based on its long and extensive usage.

Further, during a due diligence check, it came to light that the appellant had applied for registration of the mark KEI (logo) in classes 7, 11, and 35. The respondents further claimed prior use of the mark KEI, as the appellant had adopted the mark years later, i.e., in 2008, compared to the respondent's use since 1968.

In the appeal filed, the appellant had claimed that they began their business in the name of Kwality Electrico (India), as stated by the appellant's father under the trademark/label "KEI Kwality (Logo)" in relation to *electrical goods such as electric fans, room coolers, geysers, electric heating apparatus, electric rods, and the like*. It was also claimed that the appellant's father, on April 4, 1997, had applied for registration of the mark "KEI Kwality (Logo)" in classes 9 (*for Electrical iron, electric kettle, electric rods, testers and electrical accessories and appliances and parts thereof)* and 11 *(for electric fans, room coolers and geysers, electric heating apparatus and parts thereof).*

Subsequently, on May 25, 2009, the appellant's father issued a Consent Letter in favour of the appellant towards a change in the constitution of the firm Kwality Electrico (India) from partnership to a sole proprietorship of the appellant. The appellant claimed to continue operations of the former partnership firm using the trade name KEI. It was argued that the appellant created the contested mark in 2008 and had been using it ever since and that the abbreviated "KEI" had been used since 1966 through the appellant's father. In light of this, the appellant asserted user primacy over the respondent's use of the mark KEI.

In response, the respondent disputed and denied that the appellant inherited any such use of the trademarks "KEI Kwality (Device)" or "KEI" from the alleged date. The respondent contended that the appellant could not assert honest and concurrent user. The respondent additionally argued that the appellant could not take refuge under Section 12 of the Trade Marks Act as to honest and concurrent use since that only applied to the registration of marks and not to their use or as a defence to a case of trademark infringement.

Observing and relying on certain case precedents, the Single Judge also agreed with the respondent's contention. The Single Judge observed that the respondent owned a legitimate and active registration for the word mark "KEI" in relation to electric wires and cables, and the court reasoned that any use of the abbreviation KEI by a third party in relation to the same or comparable goods would constitute infringement. According to Section 29(2) of the Trade Marks Act, the appellant's use of the contested mark in relation to electric fans, electric water heaters, immersion water heaters, etc., constituted *prima facie* an infringement of the respondent's registered word mark and device mark containing "KEI".

The Single Judge observed that the appellant's impugned trademark KEI was being used in respect of *electrical goods*. At the same time, the respondent's word mark KEI and device mark were also registered with respect to electrical goods and instruments, and hence, there was a clear *prima facie case of* infringement by the appellants. Accordingly, the appellant was restrained from using the impugned mark KEI in relation to any *electrical goods or instruments, including electrical fans, room coolers, geysers, electric heating apparatus, etc., or any allied or similar goods*.

In the appeal, the appellant contended that the Single Judge erred in not considering that the impugned trademark was registered in class 11. To substantiate its claim, the appellant submitted its trademark registration for

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the impugned trademark, “KEI”, in Class 11. Further, it was contended that the goods covered by the appellant’s trademark were distinct from those covered by the respondent’s trademarks.

The appellant based its contention on the principle that the respondent was precluded from asserting any likelihood of confusion with respect to the impugned mark, as this assertion was entirely contrary to its earlier assertions made before the Trademark Registry in replying to an examination report for its mark in class 11, stating: “*the services of the Applicant are different to that of the cited marks and therefore, there is not any likelihood of confusion….*” and wherein one such citation was the impugned mark of the appellant.

The Court was satisfied with the appellant’s contention that a party who obtained trademark registration based on specific representations and declarations made before the Trade Marks Registry would be ineligible for equitable redress if claimed otherwise. The Court further observed that if a party has obtained the registration of their trademark by alleging that their mark is distinct from a cited mark, such party cannot obtain an interim injunction against the cited mark’s owner on the contention that the marks are deceptively similar.

On the aspect of honest and concurrent use, the Court observed the same to be a special circumstance and, as a matter of applicability of principle, concluded that where special circumstances existed that warrant the grant of registration of identical or similar trademarks in respect of similar goods and services, the person claiming entitlement to such registration may also be entitled to resist a restraining order for the use of such trademark.

The Court also went on to correctly apply the doctrine of ‘*ejusdem generis*’ to hold that “*other kinds of electrical and electronic instruments*” in the specification of the respondent’s registration were to be read in a restrictive sense by the items listed before the same, being “*electrical wires & cables (viz. power cable, control cable, instrumentation cable, rubber cable, winding, flexible & house wire), electrical switchgear, control panels, circuit breakers, transformers, amplifiers, electric and electromagnetic and mechanical relays, switches, fuses of all kinds..*” Hence, such electrical and electronic instruments would necessarily mean instruments for control, interruption, and manipulation of the flow of electric energy. Such words could not be read expansively to cover all electrical appliances.

Thus, the Court held that the respondent's registered trademarks did not cover goods similar to those of the appellant for which it used its impugned mark. In view of the above, the impugned order was accordingly set aside. However, the matter was remanded back to the Single Judge to examine the respondent's claim for infringement of its trademarks under Section 29(4) of the Trade Marks Act, 1999, which covers infringement where the goods are not similar.

2. Trademark Battle Resolved: Appellate Dismissal in Franco vs. Corona - 'STIMULIV' vs 'STIMULET' Pharmaceuticals Clash

Case.: Corona Remedies Pvt Ltd vs Franco Indian Pharmaceuticals Pvt. Ltd. [SLP(C) No. 3509/2023 IX]

Forum: High Court of Bombay

Order Dated: January 20, 2023

Issue: Whether Corona Remedies Pvt Ltd was justified in impugning the injunction decision passed against them?

Order: The Appellant Corona was prohibited from using the name “STIMULET” in connection with pharmaceutical medicines. The Respondent Franco filed a suit against Corona for infringement of their trademark “STIMULIV”, thus seeking an injunction from a single bench court for which this appeal had been taken up.

Franco’s mark “STIMULIV” is an Ayurvedic remedy supplied in syrup and tablet form for liver function. In contrast, Corona’s “STIMULET” is an allopathic formula used in the treatment of breast cancer and infertility.

Franco’s contention was that they had been using the mark “STIMULIV” uninterruptedly since 1975 and obtained an injunction against Corona for using the word “STIMULET”. Franco’s invested a significant amount of time and money in developing its mark and has begun exporting its goods with the mark “STIMULIV” to a number of nations, including Bhutan and Mauritius and others. Corona has been using its mark since 2010, and by 2010, Franco had developed goodwill and a reputation in the pharmaceutical business.

Franco asserted that on November 19, 2020, it requested the trade mark registry to prevent the word mark “STIMULET” from being registered. Franco claimed that Corona was violating its “STIMULET” trademark. As a result, it requested and was granted an order of injunction against trademark infringement as well as a comparable injunction against passing off, all of which are challenged in the appeal.

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The Counsel for Corona argued that the name “STIMU” is an acronym taken from the dictionary word “STIMULATE,” which means “to make anything active,” according to Corona. Together, these two words formed the mark STIMU-LET. The word “LET” is obtained from the chemical name “LETROZOL,” which is the substance used in the Corona product commonly used by pharma companies in naming their products.

The Court held that it is a settled principle of law that in determining this question, it must be proved that the plaintiff had acquired such goodwill and reputation when the defendant began using its trade mark. The indisputable position is that Corona has openly and extensively used its registered trademark STIMU-LET since 2010. The date for determining passing off in the recent action must be 2010. Based on the documents relied upon by Franco, the Court held that Franco did not pass this test. The appeal was disposed of with costs of INR 5,00,000/- (USD 6331).

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3. Claims of Transnational Reputation Need Corroboration and Cannot Be Mere Assertions

Case: Toyota Jidosha Kabushiki Kaisha vs Tech Square Engineering Pvt Ltd [C.O. (COMM.IPD-TM) 298/2022]

Forum: Delhi High Court

Order Dated: February 3, 2023

Issue: Whether the rectification petitions filed by Toyota against Tech Square Engineering regarding the ALPHARD trademark valid?

Order: The petitioner, Toyota, a Japanese automotive manufacturer whose vehicles are sold in over 170 countries, filed rectification petitions seeking the removal of trademark registrations that were granted to Tech Square Engineering for the ALPHARD trademark under Classes 9 (car stereos, etc), 12 (car accessories, etc) and 27 (automobile carpets). Toyota entered the Indian market via a joint venture with the Kirloskar Group in 1997 under the trading name Toyota Kirloskar Motor Pvt Ltd.

It adopted the ALPHARD trademark in 1986 for a luxury MUV (multi-utility vehicle) launched in 2002, which was not formally launched in India, though it was available to Indian residents through direct imports. Globally, the petitioner sold more than 850,000 units under the ALPHARD trademark. The petitioner's trademark application for ALPHARD was filed under Class 12 in November 2017 in India. The respondent had obtained registrations for identical marks – i.e., ALPHARD – under Classes 9, 12 and 27, which were filed in November 2015 and had been claimed as mala fide adoption by the petitioner.

The defendant countered these allegations, claiming prior use since 2015 and bona fide adoption of the ALPHARD trademark under Classes 9, 12 and 27, stating that the term is the name of a star. Since the petitioner was not using the ALPHARD trademark in India, there was no goodwill or trans-border reputation in said trademark in India. The petitioner was not using the ALPHARD trademark for goods under Classes 9 or 27 – not even abroad.

The petitioner repudiated the defendant's defence, stating that vehicles with the ALPHARD trademark have been sold in India since 2008 through listings on third-party websites, showing the petitioner's vehicles for sale in India. The ALPHARD trademark enjoys a worldwide reputation and has a direct spillover in India, substantiated by international brochures, annual reports, awards, global trademark registration certificates and promotional materials.

In dealing with these issues, the Court relied on two tests – i.e., the principle of territoriality and the difference between the applicability of the "spillover effect" of trans-border reputation in passing off and rectification cases.

"...rectification proceedings cannot be equated with passing-off action."

The Court analysed the Supreme Court of India's judgment in a previous passing-off case of the petitioner that laid down the principles for determining transnational reputation. In such an appeal moved by the petitioner, the Supreme Court applied the territoriality principle. It did not grant a permanent injunction in favour of Toyota, as the reputation of Toyota's mark Prius had not spilt over to India merely via advertisements in automobile and international business magazines and information on the internet. It was observed that to give effect to the territoriality principle, the existence of a real marketplace is not necessary, but the presence of a claimant through its trademark in a marketplace must be established, even if it is subtle.

Referring to the Appellate Board's finding in the Hypnos Limited case, wherein it was observed that rectification proceedings cannot be equated with passing-off action, the burden to prove the likelihood of the defendant's goods being passed off rests on the plaintiff, whereas the aspects of rectification proceedings are completely different as they deal with the power to cancel or vary registration on the register. In a rectification action, the onus is on the petitioner to establish a trans-border reputation through strong evidence, and such burden ought to be discharged to allow a rectification petition.

In considering the petitioner's evidence, the Court observed that the petitioner had not filed any invoice to demonstrate the sale of ALPHARD-branded cars in India, and even their trademark application filed in

November 2017 was on an intent-to-use basis. Further, there were no India-specific advertisements, and all evidentiary documents, such as international brochures, annual reports, awards, etc, pertained to international usage only.

In addition, import-export data furnished by the petitioner showed only 15 imports made by private parties (not the petitioner) for the ALPHARD brand between 2014 and 2016, and not all of them were for vehicles. Even the articles published in automobile magazines mentioning the plausible launch of the petitioner's ALPHARD vehicle in India were subsequently dated as against the respondent's registration date.

The Court applied the territoriality principle and concluded that none of the furnished documents could demonstrate that the trademark had acquired goodwill and reputation in India and that trans-border reputation could not be considered as having permeated India. Further, the petitioner also failed to show mala fide adoption of ALPHARD by the respondent.

The Court favoured the respondent and held that the petitioner could not prove that they had acquired a trans-border reputation in India and had failed to prove the grounds of rectification of the respondent's ALPHARD registered trademark (s) under Classes 9, 12 and 27. The petitions were accordingly dismissed. The petitioner has moved appeals against this order before the Division Bench of the Court, which is set to be heard in the second week of May 2023.

4. Judicial Scrutiny: Unravelling Procedural Flaws in Trademark Registration

Case.: Anubhav Jain vs Satish Kumar Jain [CO (COMM. IPD-TM) 55/2021]

Forum: High Court of Delhi

Judgment Dated: February 08, 2023

Issues:

- Whether the respondent's mark was rightfully registered as a trademark and deserved to remain on the Trade Marks Register?
- Whether the Examiner is required to state the reasons for accepting a trademark for registration as per the provisions of the Trade Marks Act and Rules?

Order: The Petitioner challenged the registration of the respondent's device mark (“impugned mark”) under Section 57(1) and (2) read with Section 9(1)(a) of the Trade Marks Act, 1999, submitting that the mark was devoid of distinctive character. Further, the Petitioner pointed out certain technical deficiencies in the prosecution and subsequent acceptance of the impugned mark.

Firstly, it was alleged that the impugned mark was wrongfully accepted with a false user claim of June 14, 1996, as the same was not corroborated with any substantive evidence; secondly, it was alleged that the respondent did not file any reply to the examination report, wherein multiple prior marks were cited under Section 11 objection on relative grounds. The Petitioner alleges that despite such procedural deficiencies/inaccuracies, the mark was proceeded for registration.

The Court firstly did not accept the submission that the mark is not distinctive and held that the impugned mark, being a device mark, is *distinctive*. Even as a word mark, the Court stated that ‘JAIN SHIKANJI’ cannot be inherently said to lack distinctiveness. Coming to the procedural deficiencies, the Court favoured the Petitioner's contentions that the impugned mark was accepted without stating any reasons (especially with respect to the user claim) and opined that a reading of Rule 33 of the Trade Marks Rules, 2017 makes it clear that the exercise of consideration of the objections in the Examination Report, and the response of the applicant thereto, is quasi-judicial in nature, involving notice to show cause, a reply thereto, and personal hearing if sought.

An Examination Report must set out the reasons for the prayer for registration of the mark being proposed to be refused. The applicant has a right to file a response. The applicant is also given a right to seek a personal hearing. After the applicant files a response and a hearing, if sought, is granted, sub-rule (8) of Rule 36 requires the Registrar to "pass an appropriate order".

The Court said that "*an "order" jurisprudentially, especially when it follows upon a quasi-judicial proceeding, must be informed by reasons. Else, it is not an order in the eyes of law. Reasons constitute, as it were, the* raison d'etre *of the order… An order which is open to challenge before a higher authority must be reasoned as, else, neither would the aggrieved party, who seeks to challenge the order, know why the order was passed, nor would the authority before whom the challenge is laid be so aware. Section 57 permits a challenge to a mark which already stands registered. The person seeking to so challenge the grant of registration is entitled to know the reasons for the dismissal, by the Registrar, of the objections in the Examination Report. Else, the authority before whom the challenge has been laid would have no option but to presume that there has been no application of mind to the said objections.*"

In conclusion, the Court directed the learned Registrar to re-examine the mark on two counts, namely, (i) the objections predicated in Section 11 of the Trade Marks Act, as contained in the Examination Report, and (ii) the date of the user of the impugned mark by the respondent.

5. Delhi High Court Affirms Well-Known Status for Hermes International's 'H' Logo

Case: Hermès International & Anr. vs Crimzon Fashion Accessories Private Limited [CS (COMM) 919/2022 & I.A.22377/2022]

Forum: High Court of Delhi

Judgment Dated: February 8, 2023

Issue: Whether the Plaintiff's H " " mark can be declared to be a well-known mark?

Judgment: The plaintiff filed the present suit, restraining the defendant from using an identical, deceptively or confusingly similar mark to their registered H " " trademark. On December 23, 2022, the Hon'ble Court decreed in favour of the plaintiff and against the defendant. On February 09, 2023, the plaintiff, with regard to its prayer seeking declaration of its mark " " as well-known, made submissions with respect to each of the five factors enumerated in Section 11(6) of the Act for determining a trade mark as a well-known trade mark. For factor 1, the plaintiff submitted that it has stores in Mumbai and Delhi wherein its products bearing the stylised 'H' logo are displayed, mentioned retail distributions and revenue generated in its activity report for the year 2021, and it also submitted that several articles and magazines have reviewed and recognised the Plaintiff's ORAN sandals bearing the mark " ". For factor 2, it submitted that the Plaintiff's Oran sandals bearing the mark " " were conceptualised in the year 1997 and have been circulated in the market ever since. For factor 3, it asserted that the plaintiff has engaged in extensive promotional activities since 1997. For factor 4, the plaintiff submitted that it had secured international registrations and/or national registrations in over ninety-three countries, such as the United Arab Emirates, France, Canada, Switzerland, Singapore, Australia, etc., including India.

For factor 5, it submitted that it has been vigilant in protecting and safeguarding its trademark rights from misuse by third parties and placed on record injunction orders granted by the German Courts in favour of the plaintiff and undertakings given by third parties. Lastly, the plaintiff asserted that knowledge or recognition of the trade mark is required to be assessed vis-à-vis the relevant section of the public and in light of the same, the plaintiff has submitted sufficient material on record which indicates that the criteria enumerated in Clauses (i) to (v) of Section 11(6) are satisfied with respect to the renown of the mark in the fashion industry and that therefore, the mark is entitled to be certified as a well-known trade mark.

The Hon'ble High Court, considering the volume and nature of material placed on record by the plaintiff to support the plea for declaration of its mark " " as a well-known trade mark, held that the criteria as enumerated in section 11(6) of the Trade Marks Act, read with Section 11(7), stood satisfied in the present case, so as to justify the declaration of the " ” mark as a well-known trade mark within the meaning of Section 2(1)(zg) of the Trade Marks Act 1999.

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6. Prestige for Win: Delhi High Court Grants Injunction Against the Defendant

Case: TTK Prestige Ltd. vs K.K. and Company Delhi Pvt. Ltd. and Ors. [CS (COMM) 864/2022]

Forum: High Court of Delhi

Order Dated: February 20, 2023

Issue: Whether the defendant's claimed prior use of its trademark was substantiated by sufficient evidence?

Judgment: The plaintiff, has been using the trademark 'PRESTIGE' for its kitchen home appliances since 1955, filed an application under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC) against the defendant, who is engaged in manufacturing and selling 'gas stoves' under a conflicting trademark.

The plaintiff has several trademark registrations for 'PRESTIGE' in various classes and has provided evidence of substantial sales turnover and promotional expenses under the trademark. The defendant filed an application for registration of a device mark

in 2018, which was opposed by the plaintiff, citing its conflicting trademark.

Defendant no.1 claims to have used the trademark in question since 1981 and is a prior user of the mark for gas stoves. It was mentioned in their trademark application filed in November 2018. The plaintiff filed a trademark application for the same mark in June 1981 on a proposed-to-be-used basis and has been aware of the defendant's use since 1981.

The Court held that the defendant claimed to be a prior user of the trademark since 1981 but only presented three invoices from 1982 as evidence. The defendant's counsel requested more time to provide further documents to prove the continuous use of the trademark since 1981. However, the Court pointed out that according to the rules of the Commercial Courts Act, the defendant must file all documents in their possession and can only submit additional documents with the Court's permission and reasonable explanation. Since the defendant did not seek permission to file additional documents, the Court held that no further time could be granted to provide additional evidence. Therefore, the Court would presume that there was no continuous use of the trademark by the defendant.

The Court referred to the *Pioneer Nuts case* and stated that a trader must demonstrate a connection between the trader and the goods due to the use of the trademark. The Court held that the defendant in the present case had not provided enough evidence of continuous use of the trademark to establish goodwill or reputation.

The defendant had only sporadically used the trademark, which did not qualify as continuous use under section 34 of the Act. The Court also noted that the plaintiff's registration date of June 16, 1981, was earlier than the defendant's three invoices. The Court found that the defendant had failed to establish the use of the trademark prior to the plaintiff's registration. The defendant had not challenged the validity of the plaintiff's registration in their written statement. Therefore, the Court granted an interim injunction in favour of the plaintiff.

The Court also held that the plaintiff established a prima facie case of infringement and passing off, as well as immense goodwill and reputation of its trademark 'PRESTIGE' in respect of pressure cookers. The defendant's defence that pressure cookers and gas stoves are different products was rejected. The Court relied on a previous judgment and observed that the use of the trademark 'PRESTIGE' by the defendant with respect to gas stoves is likely to confuse the market. The Court found that the balance of convenience favours the plaintiff and granted an injunction against the defendant from manufacturing, selling, and advertising gas stoves or any related goods under the mark 'PRESTIGE' or any deceptively similar mark.

7. Even Slightest Likelihood of Confusion Calls for Restraining Medicinal Product Marks Usage

Case: Macleods Pharma vs Union of India [Writ Petition No. 1517 OF 2022]

Forum: Bombay High Court

Order Dated: February 15, 2023

Issue: Whether the mere existence of the slightest probability of confusion in the case of medicinal product marks requires the use of such marks to be restrained?

Order: The Petitioner is a pharmaceutical company incorporated under the provisions of the Companies Act, 1956. It is the claim of Respondent 4 that it had applied for registration of trademark "OFRAMAX" on August 30 1989, and registration was granted on May 13 1994 in Class-5, i.e., "pharmaceutical products for human and veterinary use". However, the Petitioner filed the trademark application on January 28, 1999, for the mark "OFLOMAC" in said Class-5 and was granted registration for the same. Thereafter, Respondent 4 filed a rectification application seeking cancellation/ removal of the said 'OFLOMAC' trademark registration of the Petitioner, which was thereby allowed, and the order has been impugned in the present petition. The Petitioner filed a petition aggrieved by the order passed by the Intellectual Property Appellate Board (IPAB).

The Court noted that the principles to determine the question of confusing similarity in the case of trademarks used in respect of medicinal products are as follows:

- In cases where there is a question of medical or pharmaceutical product trademarks causing deception in the minds of the public. The Court must take the utmost care to prevent any possibility of confusion regarding the use of these trademarks.
- The Court opined that in cases of non-medicinal products, it may only lead to economic loss to the person, but, in case of confusion between two medicinal products, the Court must take utmost care, keeping in mind the health and safety of the general public. Hence,

it is proper to require a lesser quantum of proof of confusing similarity for such products.

- The mere existence of the slightest probability of confusion between the marks is enough to restrain the impugned trademark. The Court's primary duty is to protect the public irrespective of what hardship or inconvenience it may cause to any party whose trademark is likely to deceive or cause confusion.

- The Courts decide from the view of an ordinary common man with average intelligence, which includes considering multiple factors such as the first impression of the mark, salient features of both the products, nature of the commodity, overall similarity, and the possibility of the same creating confusion amongst the public at large.

The Court further noted that the conclusions recorded by the IPAB are proper and legal and recorded by applying the established principles to the same and held that there is no substance in the Writ Petition filed by the Petitioner, and therefore, the same was dismissed.

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8. Delhi High Court Rejects Winzo's Plea against Google

Case: Winzo Games Pvt. Ltd. vs Google LLC and Ors. [CS(COMM) 176/2022]

Forum: High Court of Delhi

Judgment Dated: February 14, 2023

Issue: Whether the warning shown on the defendant's platform using the plaintiff's mark WinZO constituted "*use of the trademark during the course of trade*" under section 29 (4) of the Trade Marks Act, 1999?

Judgment: The present suit was filed seeking a decree of permanent injunction along with other ancillary reliefs by the plaintiff, the registered proprietor of the marks "WinZO" and "WinZO Games" under relevant classes. The application of the plaintiff was available on the Google Playstore until the plaintiff converted it to a paid gaming platform. Thereafter, the plaintiff had to remove its application from the Google Playstore. The plaintiff's website, 'www.winzogames.com/,' was accessible to consumers through various search engines to download its games.

In November 2021, the plaintiff was informed that the defendant displayed a disclaimer/warning to its users upon attempting to download the plaintiff's application: *"This type of file may harm your device. Do you want to keep WinZO. apk anyway?"* The plaintiff argued, among other things, that the aforesaid warning goes beyond the mandate of the Information Technology Rules, 2021, and that the warning placed by the defendants amounted to infringement/tarnishment of the plaintiff's trademarks. The defendants argued that they were only cautioning the users regarding all third-party applications downloaded from the internet, similar to the practice followed by other browsers.

The Court held that *prima facie*, this seemed to be an industry practice. Further, the Court held that all three conditions under the said provision must be met to make out a case for infringement under Section 29(4) of the Trade Marks Act, 1999 (Trade Marks Act). Since the defendant was not providing any goods or services using the impugned trademarks, the same did not constitute '*use of the trademark in the course of trade*' within the meaning of Section 29(4) of the Trade Marks Act. Further, since the

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defendant was not advertising goods/services by using the plaintiff's marks in any manner, there was no infringement under Section 29(8) of the Trade Marks Act.

It was also held that there was no competing interest in the products/services of the defendants involved, and thus, no case of disparagement was made out. Lastly, as far as the ground of inducement of breach of contract between a user and the plaintiff was concerned, the act of a user opting to download an application from the website of the plaintiff would not result in a contract, but after such download would merely constitute "willing to execute a contract". Therefore, there was no contract at the stage when the warning appeared. Thus, the application was dismissed.

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9. Preparatory Use of a Mark as Legitimate Use

Case: Burger King Corporation vs Ranjan Gupta and Ors. [CS(COMM) 229/2018]

Forum: High Court of Delhi

Order Date: March 6, 2023

Issue: Whether the plaintiff's mark "Burger King" should be cancelled for being generic?

Order: The plaintiff was granted an interim injunction in 2014, which was subsequently confirmed until final adjudication. The defendants appealed. One of the defences was that the plaintiff's registered trademark, Burger King, should be cancelled. The first issue to be determined was whether the defendants' argument was tenable.

The court held that tenability serves as a legal gateway to ensure that defendants cannot file unmeritorious rectification proceedings. Without this safeguard, defendants could challenge the plaintiff's registrations by filing baseless and untenable rectification petitions. The legislature has thus required tenability where rectification proceedings are brought after an infringement suit is filed, while no such requirement exists in cases where rectification proceedings are started before the suit.

The defendants argued that the plaintiff's registered trademark Burger King is liable to be cancelled as the word Burger is generic and common, the word King is laudatory and the two cannot create a distinctive trademark. According to the defendants, the plaintiff's trademark should be cancelled for non-use, as it was not being used in India when the suit was filed in 2014.

The plaintiff argued that it has used the trademark Burger King since 1954, and the mark has acquired a secondary meaning and is exclusively associated with the plaintiff. The plaintiff maintained that the trademark Burger King had been used within the 60 days from registration and that there had been no intention to abandon it. The plaintiff submitted documents to show its use of the mark before entering the Indian market, including a board resolution in 2013 to allow the mark to be used by a company to be incorporated in India. The incorporation certificate dated 2013 for Burger King Private Limited to provide restaurant services in India was also provided. Posts on the plaintiff's website and newspaper articles were shown relating to the decision to enter the Indian market.

The court recognised the plaintiff's preparatory use of the mark before entering the market as a valid use of the mark and held that since the defendants had attempted to register an identical mark, they could not argue that the plaintiff's mark was generic. The court held that the plaintiff had proved the use of the trademark Burger King in India and its intention to maintain this trademark.

The defendants argued that the trademark Burger King was generic, common to trade and could not be registered. However, the plaintiff drew attention to the trademark applications filed by the defendants for the trademark and its device marks. The plaintiff argued that the defendants were estopped from advancing non-registrability. The court held that defendants were estopped from pleading that the trademark Burger King was generic and common to trade. The defendants' arguments that the trademark Burger King was generic, common to trade, and could not be registered were rejected by the court.

10. Ad-interim Injunction Granted Against Accord Distillers & Brewers in ‘OLD MONK’ Dispute

Case: Mohan Meakin Limited vs Accord Distillers & Brewers Pvt. Ltd. [COMS No. 1 of 2023]

Forum: High Court of Himachal Pradesh

Order dated: March 17, 2023

Issue: Whether the use of the defendant's mark "Missionary Monks Authentic Pure Xo Brandy" infringed the plaintiff's registered and famous trademark "Old Monk" (for rum)?

Order: The plaintiff filed a suit against the defendants for permanent injunction against infringement of the famous registered trademark "Old Monk" (for rum), passing off, unfair competition, damages, rendition of accounts, etc., as the defendant was found to be selling brandy under the mark "Missionary Monks Authentic Pure Xo Brandy" which conspicuously projected the word, "Monk".

The defendant had also filed an application for registration of its said mark, which was opposed by the plaintiff. The plaintiff also submitted that it had earlier approached the Delhi High Court against the use of the marks 'TOLD MOM’ and 'CRAFTY MONK' by different companies, and the case in 'TOLD MOM' was decided in its favour, whereas the case pertaining to 'CRAFTY MONK' was decreed as per compromise between the parties and in those cases the defendants had been restrained from using the deceptively similar trademarks involved.

The plaintiff submitted that in this case as well, the defendant was trying to create an illusion in the minds of the consumers/trade that its trademarked goods belong to the plaintiff, thereby amounting to grave misinterpretation and dilution of the reputation and goodwill of the plaintiff in the mark "Old Monk".

The Court, after analysing the two sets of marks, concluded that the manner of representation of the defendant's mark and the use of the word 'Monk' prominently made out a *prima facie* case in favour of the plaintiff for passing an ad-interim injunction.

Accordingly, defendant, their promoters, assigns, relatives, successors-in-interest, licensees, franchisees, directors, representatives, servants, distributors, employees, agents, etc., or anyone associated with them were restrained from using the impugned mark 'Missionary Monks Authentic Pure Xo Brandy' and /or any mark identical with or similar to the plaintiff's registered trademark Old Monk and/or Monk and/or formative variants thereof singularly or in conjunction with any other word or monogram/logo as a trade mark, service mark, house mark, trade name, trading style, corporate name, website, email address, or otherwise in any manner whatsoever.

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11. Legal Triumph: Court Grants Ex-Parte Injunction Against Illegal Use of 'DABUR' Trademark on Fraudulent Websites

Case: Dabur India Limited and Ors. vs Ashok Kumar and Ors. [CS (COMM) 135/2022 I.As. 3423/2022]

Forum: High Court of Delhi

Order Dated: March 27, 2023

Issue: Whether the Court will grant relief to the plaintiff for a permanent injunction in its favour in the case of fraudulent websites using their well-known marks?

Order: Two suits were filed after discovering that several fraudulent websites bearing Plaintiffs' well-known marks 'AMUL' and 'DABUR' are soliciting business from vulnerable customers. Various domain names and websites, which were operating with the name DABUR, such as www.daburdistributor.com, & https://daburdistributorships.in. Monies were being collected from vulnerable customers through the said websites.

The Court found that the use of the well-known trademark 'DABUR' on fraudulent websites was illegal and harmful to the plaintiff's legal rights. The attempt to impersonate the plaintiff by using their trade dress, labels, logos, and product packaging was not just infringement and passing off but complete impersonation. The Court granted an ex-parte injunction as it found a prima facie case that irreparable loss would have been caused to the plaintiff due to these activities.

The Court directed the defendants to immediately block and cease all use of infringing domain names and websites bearing the mark 'DABUR'. They are also restrained from allowing any third party apart from the plaintiff to register domain names using the mark/name 'DABUR'. The plaintiff is permitted to implead the registrants of the infringing domain names as defendants and is permitted to approach the Court for appropriate relief in case it comes across any other infringing domain names or websites.

This Court, in its previous order, stated and emphasised the need for stringent measures to curb the misuse of well-known marks and business names in illegal domain name registrations. The MeitY and ICANN had been approached to act against non-compliant DNRs, and MeitY has suggested that non-compliance with court orders can be considered a violation of public order under Section 69A of the IT Act.

The Court is considering how to enforce injunction orders in cases of infringing domain names, considering the views of MeitY and applicable laws. The issue raises questions about how to enforce court orders when DNRs only recognise orders from competent courts in their own jurisdiction.

12. Whose ARMOUR is Stronger – A Tussle between Apparel Moguls

Case: Under Armour, Inc. vs Aditya Birla Fashion & Retail Ltd. [CS(COMM) 41/2023, I.A. 1349/2023 & I.A. 4142/2023]

Forum: High Court of Delhi

Order Date: April 20, 2023

Issues:

- Whether the plaintiff's marks seen as whole marks, are, or are not, infringed by the defendants?
- Whether "ARMOUR" part of the plaintiff's marks descriptive?

Order: The plaintiff, UNDER ARMOUR, Inc (UA India), is a US-based company; the plaintiff officially entered the Indian market in 2017 by selling its goods through Amazon. In 2018, the plaintiff incorporated its Indian subsidiary Under Armour India Trading Pvt. Ltd. Mark UNDER ARMOUR stands registered in the plaintiff's favour in Classes 18, 25 and 28 since February 2009 and the mark UA stands registered in the plaintiff's favour in the same classes since January 2011.

The plaintiff argued that their reputation was established by their website appearing as one of the first results on Google search for the word "ARMOURI". However, the Court ruled that this was insufficient evidence as appearing on Google search results does not establish a brand's reputation or goodwill in the market.

The plaintiff operates websites with the "ARMOUR" mark and claims that the defendant's use of the same word is confusingly similar. The defendant argues that the plaintiff should consider their entire trademark, not just the "ARMOUR" portion.

The Court agrees and considers the totality of the composite marks to determine if there is infringement or passing off. The Court also addresses the "dominant part" argument, concluding that the probability of confusion must be assessed by considering the totality of the composite marks as an indivisible whole rather than by cutting or segmenting.

The Court considered the issue of whether the defendant's use of "STREET ARMOUR" and "ARMOUR" in connection with athletic equipment infringed on the plaintiff's registered mark "UNDER ARMOUR". The Court found there was infringement under Section 29(2)(b) of the Trade Marks Act since there was a likelihood of confusion or association between the marks.

The Court considered the marks as a whole and did not regard "ARMOUR" as the dominant component of the plaintiff's mark. Another issue considered by the Court was whether the "ARMOUR" part of the plaintiff's marks was descriptive.

The defendant argued that the "ARMOUR" part of the plaintiff's mark was descriptive and could not be protected. However, the Court rejected this argument and held that "ARMOUR" was not descriptive of the goods of either party.

The Court noted that sportswear is not armorial in nature, and even if the clothing was protective, the mark could only be suggestive, which is registerable. The Court also observed that the plaintiff's use of the mark was not protective, and "ARMOUR" was arbitrary when used for such apparel.

The Court dismissed the defendant's argument that "ARMOUR" was a common word in the market and that it had applied for registration of the "STREET ARMOUR" mark. The Court found the defendant's marks deceptively similar to the plaintiff's marks, and whether "ARMOUR" was common to the trade was insignificant.

The defendant also claimed the plaintiff suppressed material facts by not disclosing their response to the FER during trademark registration. Still, the Court disagreed and stated that the plaintiff's response to the FER is only relevant in litigation where the defendant's mark is cited as similar. The plaintiff did not suppress material facts that would disentitle them to relief.

The Court issued a ruling that restrains the defendant from using or dealing in trademarks and logos that resemble or can be misleadingly associated with the plaintiff's registered marks, including "UNDER ARMOUR", "UNDR ARMR", and "UA" word marks or device marks. The defendant is prohibited from using the following marks: "STREET ARMOR/ ‖", STRT

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ARMR, ARMR, ARMOR, SA, ARMR DEPT, SA DEPT, STREET ARMOR CO, and STRT ARMR LAB.

This restriction applies to apparel and other goods or services similar to or related to the plaintiff's products. The Court's decision was based on the facts and legal issues presented in the case.

13. Delhi High Court Grant Permanent Injunction to 'VOLVO'

Case: Aktiebolaget Volvo & Ors. vs Gyan Singh [CS(COMM) 1203/2018]

Forum: Delhi High Court

Order Dated: April 25, 2023

Issue: Whether the use of the registered and well-known mark of the plaintiffs by the defendants in respect of goods in identical classes amounted to infringement of the plaintiff's mark 'VOLVO' and passing off

Order: The plaintiffs had their business in the transportation and automotive sector, including manufacturing spare parts, accessories, and ancillary parts for vehicles under the mark 'VOLVO'. The plaintiffs were the registered proprietors of the mark 'VOLVO' and 'VOLVO' formative marks in Class 12 and various other Classes, and the 'VOLVO' mark had acquired the status of 'well-known trade mark' within the meaning of Section 2(1)(zg) of the Act, which was recognised in *Aktiebolaget Volvo of Sweden vs Volvo Steels Ltd. of Gujarat (India), 1997 SCC OnLine Bom 578*.

In 2018, the plaintiffs became aware of the defendants' activities when they came across the advertisements and sale of the bicycles by the defendants under the mark 'VOLVO'. Defendant 2, Road Master Autotech (P) Ltd., offered its products for sale on its website, www.roadmasterindia.com, as well as on third-party merchant platforms like www.indiamart.com. Therefore, the plaintiffs submitted that the use of the registered and well-known mark of the plaintiffs by the defendants in respect of goods in identical classes amounted to infringement of the plaintiff's mark 'VOLVO' and passing off the goods of the defendants as that of the plaintiffs.

The Delhi High Court decreed the suit in favour of the plaintiff. The Court relied on Section 29(6) of the Trademarks Act to hold that the "use" of a mark is not limited to the manufacture of the goods but also includes affixing the impugned mark and offering the goods bearing the impugned mark for sale. In light of the above reasoning, the Court held that the defendants, which include manufacturers and sellers of the goods bearing the impugned mark, are infringing the mark "Volvo" and awarded INR 10 Lakhs as damages and costs to the plaintiff.

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14. Bad Faith Means No Trademark Protection

Case: BPI Sports LLC vs Saurabh Gulati & Anr. [C.O. (COMM.IPD-TM) 16/2021 & I.A. 13589/2021]

Forum: Delhi High Court

Order Dated: April 27, 2023

Issue: Whether the respondent, fraudulently obtained the registration for the trademark BPI Sports in India?

Order: The petitioner sought rectification of trademark registration, claiming that the respondent, fraudulently obtained the registration for the trademark BPI Sports in India. The company argued that the respondent engaged in trademark squatting intending to prevent the petitioner from acquiring rights in India.

The petitioner asserted their entitlement to common law rights over the mark BPI Sports based on their prior adoption and use of the mark in the United States. They contended that it had become a well-known source identifier for their products, and the respondent's adoption of an identical mark would create confusion in the market.

The petitioner alleged that the respondent was aware of its mark and reputation from their prior business relationship as an importer of the petitioner's goods. The petitioner argued that even a single act of using the mark was sufficient to establish common law rights. To support their claims, the petitioner referred to email correspondence, invoices, and the international reputation of their mark, which had gained recognition in the Indian market through various channels.

The petitioner relied on section 11(3) of the Trade Marks Act, 1999 (act). This prohibits the registration of a mark if its use is likely to be prevented by passing off, which involves deceptive similarity between marks. The provision aims to prevent consumers being misled. Where a mark is mainly used abroad, passing off against a mark requires demonstrating that the mark's reputation abroad has spilt over into India, as passing off involves deceiving customers into believing that the defendant's goods are those of

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the plaintiff. The plaintiff must possess sufficient goodwill or reputation to support their claim.

However, the court, applying the principles set out in the Supreme Court Toyota case, found the evidence of trans-border reputation unconvincing. The evidence was a single invoice demonstrating the importation of goods bearing the petitioner's mark, while other invoices represented sales within the United States with no goods being sold in or to India. As a result, the court held that the petitioner had not adduced sufficient evidence of trans-border reputation in India, making it unable to establish passing off against the respondent's mark. Section 11(3) did not therefore help the petitioner.

The court then addressed the issue of bad faith adoption of a trademark under section 11(10)(ii) of the Act. Although the act does not explicitly prevent an applicant from registering based on bad faith, the court interpreted the section purposively and analysed the concept of bad faith in trademark law. Bad faith generally involves dishonesty, fraud, or an intention to mislead or deceive another, as well as unfair practices that violate the rights of a third party. Trademark squatting, a form of bad faith, is registering a third party's mark before the legitimate rights holder can secure their rights.

The court also referred to bad faith in the context of domain name registration and involving such actions as selling the domain name to the trademark owner or disrupting a competitor's business.

In this case, the respondent was accused of trademark squatting by registering the mark BPI Sports despite its prior registration by the petitioner in the US. The respondent, as an importer of the petitioner's goods, intended to capitalise on the petitioner's reputation and block their attempt to register the mark. The court found these actions to be trademark squatting and constituted bad faith, within the scope of section 11(10)(ii).

The court ordered the removal of the respondent's mark from the register of trademarks, highlighting its wrongful inclusion. This decision highlights the importance of preventing bad faith registration and protecting the rights of legitimate trademark owners.

15. Logo Dispute: Delhi High Court Restrains CTVN from Adopting Logo Similar to 'CNN'

Case: Cable News Network vs CTVN Calcutta Television Network Pvt Ltd [CS (COMM) 309/2021 & IA 7844/2021 & IA 9228/2021]

Forum: High Court of Delhi

Order Dated: April 28, 2023

Issues:

- Whether the use of and by the defendant infringes of the plaintiff, Cable News Network Inc. for television broadcasting services?
- Whether the plaint is returnable for lack of jurisdiction?

Order: Relying on judicial precedents set by the Division Benches and Supreme Court, the Court observed that the issue of jurisdiction has distinctly to be examined vis-à-vis Section 20 of the Civil Procedure Code and vis-à-vis Section 134(2) of the Trade Marks Act. If either applies, the Court's jurisdiction would be invoked. The Court found that there is no proof that any commercial transaction could be concluded across the defendant's website within the jurisdiction of this Court, nor has it been pleaded that the defendant's website is interactive.

Mere accessibility of a website does not amount to the arising of a part of the cause of action; section 20(c) of the CPC would not apply. However, Section 20(b) of the CPC could be invoked as the essential part of the business of the defendant of providing news services (via websites and social media pages) within the jurisdiction of the Court. Furthermore, it was noted that even the plaintiff carried on its business within the jurisdiction of the Court, and Section 134(2) of the Trade Marks Act was invoked. Therefore, the defendant's application for return of plaint was dismissed.

The Court observed that the way the defendant has styled its logo , with the C and N joined at the base, each letter otherwise standing erect, is deceptively similar to the manner in which the plaintiff has styled its logo .

While there is an additional N in Plaintiff's logo, there is a possibility that viewers may have an impression, given the similarity of the logo and the fact that both entities are involved in providing identical service of dissemination of news over the television, that there is an association between the two. Thus, case of infringement and passing off is made out. An injunction order was issued against the defendant.

16. High Court Allows Amendments to Petitioner's Statement in the Interest of Justice

Case: Khilendra Gupta Trading as Bobby Enterprises vs Rakesh Kumar Trading as Sai Birbal Das Gupta [CM(M)-IPD 3/2023, CM 53/2023 & CM 54/2023]

Forum: High Court of Delhi

Order Dated: May 1, 2023

Issue: Whether the amendments made by the petitioner should have been permitted by the commercial Court as the amendments claimed to support the petitioner's case without contradicting any existing averments?

Judgment: A Petition was filed by the Petitioner under Article 227 of the Constitution of India, challenging the order passed by the learned District Judge (Commercial) ("the learned Commercial Court") in CS (Comm) 498/2020, whereby application of the petitioner seeking amendment of the Pleading was rejected.

The petitioner filed a written statement in response to the suit, claiming that the mark in question had been used by the petitioner's predecessor since January 1, 2001. Subsequently, the petitioner sought amendments to the written statement under Order VI Rule 17 of the Code of Civil Procedure (CPC). The amendments sought to change the claimed user date of the mark from 2000-2001 to 1999, include averments about sales figures and advertising expenses, and introduce various legal arguments in the written statement.

However, the Commercial Court rejected the amendment application, stating that the change in the user date constituted a "U-turn" and that the amendments would adversely affect the respondent. The petitioner contends that the amendments related to sales figures, advertising expenses, and legal proceedings should have been allowed since they supported the petitioner's case without contradicting any existing averments.

The High Court held that, in the interests of justice, the amendments sought to be incorporated in the written statement by the petitioner, through the amendment application filed before the learned Commercial Court, ought

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to have been allowed. The Court rejected the notion that the amendments represented a "U-turn" and considered them to be corrective in nature. As the defendant, the petitioner had the right to claim the use of the mark from any chosen date. The Court quashed the order, rejecting the amendment application and allowing the incorporation of the amendments. An amended written statement had already been filed and should be recorded.

However, the High Court clarified that it did not pronounce the judgment on the merits of the amendments and stated that it would be the petitioner's responsibility to prove the assertions of fact included in the amendments. The respondents were allowed to challenge the correctness of those averments as per the law.

17. Delhi High Court Grants injunction to “MIRINDA”

Case: Pepsico Inc. and Anr. vs Jagpin Breweries Ltd. and Anr. CS(COMM) 288/2022

Forum: High Court of Delhi

Order Date: May 1, 2023

Issues: Whether the impugned mark and its Hindi translation used by the defendant was infringing the plaintiff’s mark “MIRINDA”?

Order: Plaintiff No. 1 is a corporation incorporated under the laws of the State of North Carolina in the USA and is one of the world's most reputed consumer products companies engaged in the manufacturing and distribution of non-alcoholic beverages, packed and aerated waters and snack foods. Plaintiff No.2 is a wholly owned subsidiary of Plaintiff No.1 and engaged in the sale of these products under its own marks and those of Plaintiff No.1 that it is authorised to use and protect. The concerned mark "MIRINDA" is claimed by the plaintiffs to be first adopted in 1959 and used by Plaintiff No.1 and/or its predecessors for over the past 60 years.

The earliest registration of the mark in India dates to the year 1997 in Class 32, and additionally, "MIRINDA" marks have been registered, or applications for registration have been made by Plaintiff No.1 or its subsidiaries in about 190 countries. The plaintiffs became aware that Defendant No. 2, who is the Director of Defendant No.1, applied for registration of the mark "Continental Mirinda Beer" in Class 32 with the user claim from 06.07.2015 and on further investigation found that Defendant No.1 was currently using the Hindi transliteration of the mark MIRINDA, i.e., in relation to the country made liquor and had also filed an application seeking registration of the mark under Class 33 before the Trade Marks Registry, which was abandoned subsequently.

The plaintiffs, therefore, alleged that "MIRINDA" marks being the registered marks of Plaintiff No.1, the use of the impugned mark or its deceptive variations by the defendants amounts to infringement of the statutory rights of Plaintiff No.1 under Section 29 of the Trade Marks Act,

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1999. Further, the continued use by the defendants is bound to confuse the public and make them assume that the products sold under the impugned mark are those of the plaintiffs, which makes it clear that the defendants intend to take unfair advantage of the goodwill and reputation of the Plaintiff No.1's MIRINDA marks.

The plaintiffs also contended that the "MIRINDA" marks enjoy the status of well-known marks within the meaning of Section 2(1)(zg) of the Trade Marks Act, 1999, which entitles them to the highest degree of protection. It was further argued that the use of the impugned mark by the defendants is inherent in its misrepresentation to the consumers that the defendants' products originate from or are licensed by the Plaintiffs, causing damage to the plaintiff and amounting to passing off.

The Court held that the plaintiffs had made out a prima facie case for the grant of ex-parte ad interim injunction and that the balance of convenience was in their favour. Further, the Court also noted that the plaintiffs were likely to suffer irreparable harm in case the injunction, as prayed for, was not granted.

Being satisfied with these conditions basis the facts of the case, the Court restrained the defendants, by themselves, their agents, representatives, servants, men, distributors and all those acting in concert with them or on their behalf or claiming under or through them or otherwise howsoever, from using the transliteration of the trademark "MIRINDA" and/or any other language, and/or any other mark which may be identical and/or deceptively similar to Plaintiff No.1's registered trademark "MIRINDA" in relation to their products and/or business activities and/or in any other manner which infringes the statutory rights of Plaintiff No.1 in "MIRINDA" marks.

18. Unravelling Trademark Boundaries: The Intricate Dispute Between ‘ARTIZE’ And ‘ARTIS’

Case: Jaquar Company Pvt Ltd vs Villeroy Boch Ag & Anr. [CS(COMM) 777/2022]

Forum: High Court of Delhi

Oder Dated: May 4, 2023

Issues:

- Whether the defendant's mark "ARTIS" is deceptively similar to the plaintiff's mark "ARTIZ" and infringed the said mark?
- Is Villeroy using “ARTIS” in a trademark sense?

Order: The present suit is related to the dispute between two established brands in the field of sanitary and bathroom fitting products, namely, M/s Jaquar & Company Pvt. Ltd and M/s Villeroy & Boch AG, Villeroy & Boch Sales India Pvt. Ltd with respect to the usage of the words “ARTIZE” and “ARTIS”, respectively.

The plaintiff- Jaquar, filed a suit against the defendant for an interim injunction, claiming that they adopted the word "ARTIZE" in 2008 and have been in continuous and uninterrupted use of the same. The defendant, Villeroy, argued that the word "ARTIS" is a Latin term which means "art", and thus "ARTIZE" is nothing but a derivative of the same and is purely descriptive, on which no monopoly or exclusivity can be claimed. They also argued that "ARTIS" is a sub-brand used in conjunction with their other well-known brand, Villeroy and Boch; therefore, such use does not infringe or pass off the plaintiff's trademark.

In November 2022, the plaintiff became aware of the defendant's launch of identical products under the impugned mark "ARTIS" through an article. The plaintiff claimed that both parties are market competitors; hence, the defendant knows the plaintiff's products sold under the mark "ARTIZE".

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The plaintiff claims that their trademark "ARTIZE" has a well-established reputation and goodwill as it's been fourteen years since they have used their trademark continuously and uninterruptedly. Hence, because of the longevity of the trademark "ARTIZE", it is solely and exclusively associated with the plaintiff. The defendant argued that their company is years old and has established a global presence; Valleroy is a luxury brand for bathroom products, and it has various series of products under different names, one of them being "ARTIS".

Such names are only meant to distinguish between different product categories and in no way replace the value of the brand itself. Every such product bears the brand logo. The defendants also argued that "ARTIS" is only a sub-brand in conjunction with their well-known brand, Villeroy & Boch, and the use of the brand name along with the impugned mark is sufficient to distinguish and will not lead to public confusion.

The plaintiff has also obtained trademark registration for formative marks in classes 11 and 35. The plaintiff claims that "ARTIZE" is an essential feature of their trademark registration and that the use of a deceptively similar mark by the defendant under the same product category will create confusion in the minds of the people and is an infringement of the plaintiff's trademark under Section 29(1) of the Trademark Act, 1999. The defendant argued that "ARTIS" is neither phonetically nor visually or structurally identical to "ARTIZE". And that their individual brand name acts as the source identifier for the products. Also, there is no likelihood of confusion between the two marks as the defendant's products are priced higher as compared to the plaintiff resulting in a difference in targeted customers.

The plaintiff said there had been no delay on the part of the plaintiff. Immediately upon learning of the impugned activities, the plaintiff acted promptly and filed the instant suit. The defendant argued that there had been a substantial delay in filing the instant suit as the defendant launched the "ARTIS" segment of products in 2015, but the present case was filed in 2021.

Thus, the plaintiff would have known of using the impugned mark from the start and chose to sit over their rights. The "ARTIS" series was launched at an international Trade Fair where Plaintiff was an active participant thus, ought to have known of the launch; therefore, the plaintiff's case is also hit by acquiescence as the defendant has been using the "ARTIS" mark since 2015.

The plaintiff claimed that the balance of inconvenience lies with them, and in case an interim junction is not granted, they will suffer insufferable harm and loss. The defendant claimed that both parties have been co-existing in the market since 2015, and therefore, an interim injunction must not be granted during the pendency of the suit.

The Court held that if a mark is used to identify the source of goods, it is being used as a trademark irrespective of whether it is a sub-brand or an individual brand. The Court also said that once the defendant has opted to gain trademark protection for "ARTIS" for identical goods in the European Union, they have acknowledged the distinctiveness of the mark, which demonstrates that the defendant has used "ARTIS" in a trademark sense and intends to continue doing so which weaken their argument that the mark is purely descriptive and that plaintiff cannot claim monopoly over "ARTIZE", is flawed and cannot be accepted.

The Court held for the argument put forth by the defendant concerning acquiescence that the mere absence of legal action by the trademark owner is insufficient to establish acquiescence. The trademark owner's conduct or inaction must suggest a conscious decision that allows the other party to use the trademark. Mere participation in an international exhibition is insufficient to know that the plaintiff permitted the defendant to erode their rights. Also, the facts of the case do not indicate that the plaintiff encouraged the defendant to use "ARTIS" in the Indian market, where the plaintiff is the dominant player. The Court decided that the balance of convenience favours granting an injunction to the plaintiff.

19. ROYAL GREEN vs ROYAL QUEEN: A Case of Trademark Infringement and Passing Off in the Whisky Industry

Case: ADS Spirits Pvt. Ltd. vs Shubhom Juneja [CS(COMM) 277/2023]

Forum: High Court of Delhi

Order Dated: May 4, 2023

Issue: Whether the defendant's trademark "Royal Queen" and its packaging/trade dress committed the torts of infringement and passing off.

Order: The Plaintiff manufactures and sells whisky under the trademark ROYAL GREEN. They are the proprietor of several registrations for ROYAL GREEN and ROYAL GREEN-formative marks for, inter alia, alcoholic beverages. From September to October 2014, the plaintiff introduced a distinctive packaging and trade dress for its Royal Green Whisky, which was slightly modified in 2019.

The plaintiff asserted that within a short period, their ROYAL GREEN Whisky has become a preferred brand and secured an entry in the prestigious annual list of spirit brands worldwide in 2020. The Plaintiff also asserted that the sale of Royal Green Whisky has risen to 2750000 bottles by 2022-2023 on a year-wise basis.

The plaintiff submitted that earlier, the defendant was selling Royal Queen product (Whisky) in Punjab in a packaging which was completely dissimilar to the plaintiff's but has recently introduced, for sale in Delhi, a trade dress nearly identical to the plaintiff's. The defendant contended that the colour green and the suffix ROYAL are common to trade in relation to alcoholic beverages. The defendant also sought to rely on its registration for the ROYAL GREEN device mark.

The plaintiff repudiated the defendant's defence, stating that once the Court finds prima facie that the mark of the defendant is deceptively similar to that of the plaintiff and that the trade dress of the defendant's product also imitates that of the plaintiff's product, the issue of whether the suffix Royal is, or is not, common to the trade, ceases to be of any considerable significance, as infringement already stands established, prima facie. The

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plaintiff submitted that it is not alleging infringement due to the commonality of the suffix Royal or on the ground that the colour of bottles is green.

It is because the overall colour scheme of the bottles and the outer packings, as well as the arrangement of the text and graphics on the outer packings, are deceptively similar. The plaintiff further argued that the plea of the marks being common to trade cannot be taken until it is established that the use by another person substantially affects the registered proprietor.

The counsel for the plaintiff submitted that the sales of the defendant's product can be affected only after excise clearance is obtained which was applied by the Defendant in June 2022. The defendant was not selling the products bearing the impugned trade dress for a long time, so it cannot prevent the Court from granting an injunction.

The Court held that prima facie, it is apparent that the present trade dress of the defendant is nearly identical to the trade dress of the plaintiff, to the extent that a similar colour combination is used, the placement of the name of the product is also similar, and the bottles, too, are similar in shape and colour.

The Court held that a customer of average intelligence and imperfect recollection, who comes across the Plaintiff's Royal Green Whisky, whether in packed or unpacked condition, on a particular date and, a few days later, comes across the Defendant's Royal Queen product would be confused between the two.

The likelihood of confusion stands exacerbated by the phonetic similarity between the names Royal Queen and Royal Green. Even the lettering in which the names of the figures of the products on the bottles and the outer packaging of the plaintiffs and the defendant's products are similar and a similar green font is used.

The Court noted that the triple identity test is satisfied here as the two rival marks are deceptively similar. They are used for the same product, i.e., whisky. The trade dress in which the plaintiff's and defendant's products are sold is nearly identical. The products are available at the same outlets, i.e., liquor vends. They cater to the same category of consumers: those who imbibe alcoholic beverages.

Thus, the Court granted an interim injunction, noting where a prima facie case of infringement and passing off is made out, the Court has necessarily to injunct further release, manufacture, and sale of the infringing.

The Court restrained the defendant, as well as its proprietors, partners, and all others acting on its behalf shall stand restrained from advertising, manufacturing, offering for sale, selling or dealing in any manner with alcoholic beverages using the mark ROYAL QUEEN and/or the packaging/trade dress or any other mark or trade dress which is deceptively similar to the registered trademark and trade dress of the plaintiff till next hearing.

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20. Legal Limbo: A Revision Petition on Mediation in Trademark Dispute

Case: Yamini Manohar vs TKD Keerthi [CRP-IPD No. 4/2023, CM No. 48/2023 and CM No. 49/2023]

Forum: High Court of Delhi

Judgment Dated: May 8, 2023

***Issues*:**

- Whether the plaintiff's failure to comply with Section 12A of the Commercial Courts Act warrants rejection of the plaint?
- Whether the suit filed by the plaintiff qualified for urgent interim relief?

***Judgment*:** The petitioner filed a revision petition against the order passed by the District Judge dismissing their application, seeking rejection of the plaint.

The plaintiff filed the suit seeking a permanent injunction for trademark infringement and passing off, along with other reliefs. The petitioner filed an application under Order VII Rule 11 of the CPC to reject the plaint on the grounds of non-compliance with Section 12A of the Commercial Courts Act. The petitioner argued that the plaintiff should have undergone pre-institution mediation before filing the suit.

Petitioner/defendant contended that filing an application under Order XXXIX Rules 1 and 2 of CPC does not exempt the plaintiff from complying with Section 12A of the Commercial Courts Act. Compliance with Section 12A is mandatory, even if the plaintiff seeks interim relief. The Commercial Court did not properly determine if urgent interim relief was contemplated in the suit.

Subsequently, the respondent/plaintiff contended that the reliance on the Patil Automation case is misplaced as it does not address cases involving urgent interim relief. Section 12A of the Commercial Courts Act does not require seeking leave from the Court. The suits in question do not involve urgent interim relief. If urgent interim relief is sought, the suit cannot be dismissed solely based on non-compliance with Section 12A.

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It was held that the Commercial Court concluded that the suit filed by the plaintiff involved urgent interim relief against the defendant. Also, the plaintiff was not required to undergo pre-institution mediation as mandated by Section 12A (1) of the Commercial Courts Act. Hence, the present petition lacked merit and was dismissed, and all pending applications were disposed of.

21. Delhi High Restrains Defendant from Infringing Jindal Trademark

Case: Jindal Industries Private Limited vs Jindal Sanitaryware Private Limited and Another [CS(COMM) 251/2023]

Forum: High Court of Delhi

Order Date: May 9, 2023

Issue:

- Whether the defendant's mark is infringing the plaintiff's registered trademark ?

Order:

The Plaintiff, Jindal Industries Private Limited, is a leading company in the steel sector that produces steel pipes and holds a reputation in the pipe manufacturing industry. Jindal Sanitaryware Private Limited, the defendant, is a leading manufacturer of sanitary ware products.

The plaintiff filed a suit against the defendant with respect to the mark "JINDAL" used by the Defendant for PVC pipes. The plaintiff claims that they obtained registrations for the word mark "JINDAL" for steel tubular poles, cast iron pipes, galvanised iron pipes and PVC pipes in 2006 and have registered in the device mark since 1981. The defendant argued that they have also possessed trademark registration for Classes 20 and 11 since 1988.

The plaintiff argued that though the defendant possessed trademark registration for the device mark in Class 20, it only includes PVC water storage tanks, PVC cabinets, and mirror cabinets and mirror frames made of plastic and in Class 11 covering cistern and cistern parts, floated balls, seat covers and bathtubs all made of plastic. However, nowhere does the defendant have registration for the mark "JINDAL" with respect to PVC pipes. The defendant started using the mark "JINDAL" for PVC pipes for which they have no registration. The plaintiff claims that it is the prior user of the mark "JINDAL" with respect to PVC pipes and has also held registration for the word mark "JINDAL" for PVC pipes since 2006.

The Court held that the registration of the "JINDAL" device mark, held by the defendant, does not cover PVC pipes, and the plaintiff, on the other hand, has held a registration of the word mark "JINDAL" for PVC pipes since 2006. Also, the Court opined that the plaintiff is the prior user of the mark "JINDAL" for PVC pipes, and the defendant has registered the mark "J PLEX" for such pipes and only recently started using "JINDAL" along with the mark "J PLEX" for such goods.

The Court noted that on the website of the defendant, the recital was that "JINDAL" is the mother brand of the defendant, which provides its entire range of sanitaryware and plumbing products, whereas "J PLEX" was another of the defendant's sub-brands, providing its pipes and fittings range of products. The Court opined that by applying the principle of balance of convenience at this stage, the defendant would not be subjected to any serious prejudice if it was restrained from using the "JINDAL" mark on its PVC pipes, as it was already using the mark "J PLEX", which was registered in defendant's favour.

Thus, the Court held that prima facie, a case of infringement, was made against the defendants using the mark "JINDAL" concerning PVC pipes, for which the plaintiff had registered since 2006. The Court directed that till the next date of hearing, the defendants were restrained from using the marks "JINDAL" or any other mark deceptively similar to the plaintiff's trademark "JINDAL" in any manner on PVC pipes.

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22. BETNESOL vs BETNOL: A Prescription for Trademark Justice

Case: Glaxo Group Limited vs Biogen Serums Private Limited [CS (COMM) 701/2022 and I.A. 16553/2022]

Forum: High Court of Delhi

Order Date: May 10, 2023

Issue: Whether the use of the impugned mark "BETNOL" by the defendant is infringing the plaintiff's "BETNESOL" mark?

Order: The plaintiff company is incorporated under the laws of England and Wales and is part of the GSK group of companies. It is an international science-led global healthcare company researching and developing a wide range of innovative speciality medicines. The mark "BETNESOL" was first adopted by the plaintiff in the early 1960s in relation to medicinal and pharmaceutical products, including injections and is now the registered proprietor of the mark "BETNESOL" in Class 5. A standalone Google search for the word "BETNESOL" leads to the plaintiffs' products, and the plaintiff has long and continuous use of the mark with a global reputation.

The defendant is engaged in manufacturing, marketing, and selling pharmaceutical and medicinal preparations under the mark "BETNOL", used for medicine in treating skin allergies.

The plaintiff first found out about the defendant's use of the "BETNOL" mark in April 2022 through listings on third-party websites like IndiaMart, pursuant to which the plaintiff sent a legal notice to the defendant. The defendant replied to this, stating that it had withdrawn the brand "BETNOL" from the market on May 1, 2022.

However, when the defendant's listing continued to remain active on IndiaMart, the plaintiff sent another notice. In August 2022, the plaintiff became aware that the defendant had employed new packaging for the injection bearing the mark "BETNOL", and accordingly, the plaintiff filed the present suit.

Vide an order suit dated 12.10.2022, the Court granted an *ex-parte ad interim* injunction in favour of the plaintiff restraining the defendant from using the trademark "BETNOL". The Court noted that the defendant deliberately chose not to enter an appearance, and since the maximum permissible period of 120 days in filing a written submission was over, it was evident that the defendant had no defence to put forth on merits.

The Court, in lieu of the arguments made, and the documents filed by the plaintiff, held that the plaintiff had proved that it is the registered proprietor of the "BETNESOL" mark in Class 5, being valid and subsisting and that the plaintiff has also been able to show its goodwill and reputation in respect of the same.

The Court held explicitly that the plaintiff has established statutory and common law rights on account of its long usage of the "BETNESOL" mark. Further, comparing the marks of the plaintiff and defendant, the Court held that the defendant's mark is deceptively similar to the plaintiffs' "BETNESOL" with respect to the same products, i.e., injections.

Noting that the defendant used the infringing mark with the intent to benefit from its business by drawing association with the plaintiff and its trademark, the Court held that this act of the defendant amounts not only to the infringement of the plaintiff's trademark but also to passing off of the defendant's goods as that of the plaintiff. Moreover, since the consumer base of the parties is the same, the defendant has not only taken unfair advantage of the reputation and goodwill of the plaintiff's mark but has also deceived unwary consumers of its association with the plaintiff. In view of these undisputed facts, the Court opined that no purpose would be served by the plaintiff leading *ex-parte* evidence and that this suit deserved to be decreed summarily in favour of the plaintiff.

23. CROMA vs CROME: Unravelling the Web of Trademark Infringement and Deception

Case: Infiniti Retail Ltd. vs Croma, through its Proprietor [CS(COMM) 71/2022, I.A. 1538/2022 (O-XXXIX R-1 & 2 of CPC), I.A. 1543/2022 (u/s 12A Commercial Courts Act), I.A. 10960/2022]

Forum: High Court of Delhi

Order Date: May 12, 2023

Issue: Whether the defendant’s use of the mark “CROMA” on its website constitutes trademark infringement and passing off?

Order: The case was brought up by Infiniti Retail Limited, which is a part of TATA Group. It owns and manages a national chain of retail shops offering a wide range of electronics, consumer products, household appliances and allied goods such as televisions, home appliances, kitchen appliances, phones, computers, etc., under the mark "CROMA”.

The plaintiff operates through its physical stores and website, www.croma.com, and is the registered proprietor of the mark "CROMA" and formative marks in Classes 9, 11 and 35 in relation to a wide range of goods and services. In January 2022, the plaintiff came to know about the registration of the domain name www.crome.in, an impugned website using the plaintiff's well-known trademark "CROMA" by a third party. The website was illegally occupied by a third-party earning profit through targeted advertisements provided by a separate service. The plaintiff claimed that such use infringed its trademark and was an act of passing off by misleading the public, causing damage to the plaintiff's reputation.

The Court, vide its Order in 2022, granted an *ex parte* ad interim injunction in favour of the plaintiff restraining Defendant 1 from using the trademark 'CROMA'. The Court said that the plaintiff had been able to prove that it was the registered proprietor of the well-known trademark 'CROMA' in several classes, and the registrations were valid and remained in effect. The Court noted that the website of Defendant 1 was identically similar to that of the plaintiff and would surely create confusion in the people's minds, and the targeted public would associate the website with that of the plaintiff.

The Court believed that the user might be drawn to the website due to the same or similar domain name, which could result in a user mistakenly accessing one domain name instead of the one intended. Therefore, it was considered that a domain name has all the characteristics of a trademark and could result in an act of passing off. Thus, it could create a likelihood of confusion and mislead the public about its association with the plaintiff.

The Court further said that it was clear that Defendant 1 had registered the impugned website under the name of the plaintiff's trademark to deceive the public into believing that the impugned website is somehow associated with the plaintiff. Also, Defendant 1 was earning profit through advertisements on the impugned website and was seeking to offer the website for a large sum of money. The acts of Defendant 1 not only amounted to infringement of the well-known trademark of the plaintiff, but the defendant also had a dishonest intention to deceive customers for illegal profits.

24. Sole Struggles: Puma Prevails in Trademark Battle Against Absogain

Case: Absogain Retail Solutions vs Puma SE [RFA(COMM) 39/2023 & CM APPLs. 10165-10166/2023]

Forum: High Court of Delhi

Date: May 15, 2023

Issue:

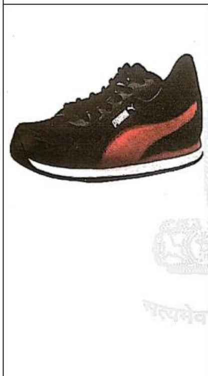
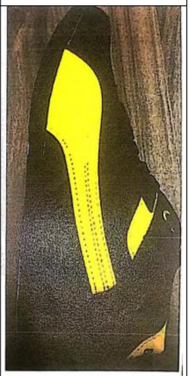
- Whether the logo used by the appellant was deceptively similar to the respondent's registered trademark "Form Strip logo" and constituted infringement?

Order: Puma had initially filed a lawsuit against Absogain, alleging that the defendant had engaged in various activities such as manufacturing, trading, selling, and marketing goods, including shoes and accessories, utilizing a logo closely resembling Puma's registered "Form Strip logo". The district court had previously granted a decree for a permanent injunction against the defendant.

During the appeal, the defendant argued that it was unaware of Puma's registered trademark and that the design used on their product was common. They asserted that they would not have used a similar design if they were aware of Puma's registration. Additionally, the defendant challenged the territorial jurisdiction of the trial court. They highlighted the testimony of the plaintiff's witness, who stated there was no proof of the defendant selling infringing goods in Delhi, offline and online. They also contended that the damages awarded by the trial court were unreasonable and exceeded the scope of the issue framed.

The plaintiff countered by asserting that the defendant failed to provide evidence supporting their claim of lack of territorial jurisdiction. They presented various documents, including internet downloads, photographs, and invoices, to demonstrate that the infringing products were sold on online platforms accessible from Delhi. The plaintiff also emphasized the defendant's history of copying famous registered designs, as evidenced by their registration application combining designs of other renowned brands.

The Delhi High Court dismissed the appellant-defendant's arguments and upheld the trial court's judgment. The Court compared both products as follows:

Respondent-Plaintiff's product with "Form Strip logo"	Appellant-Defendant's product with "Form Strip logo"
	

After comparing the products, the Court held that the plaintiff's design was unique and eligible for registration. The Court also noted the defendant's track record of copying famous registered designs, further establishing them as a repeat offender. Consequently, the Court rejected the appellant-defendant's argument of ignorance regarding the plaintiff's registration. Based on the evidence, including internet downloads and invoices, the Court affirmed the trial court's jurisdiction to hear and decide the case. Considering the defendant's repeated infringement and the sale of infringing products on an interactive website, the Court upheld the damages awarded by the trial court.

25. Trademark Tussle: Unlocking the Sealed Factory in Search of Legal Clarity

Case: Mahendra Dattu Gore vs State of Maharashtra [CA 496/2023]

Forum: High Court of Bombay

Order Date: May 17, 2023

Issue: Whether the police can seal premises while exercising powers granted under Section 115(4) of the Trade Marks Act, 1999?

Order: The petition was filed seeking the urgent de-sealing of a factory alleged to have been sealed under Section 115 of the Trade Marks Act, 1999, pursuant to an FIR registered with the Chakan Police Station for offences under Section 420 of the Indian Penal Code, 1860 and Sections 103, 104 and 105 of the Trade Marks Act.

The petitioner submitted that Section 115 of the Trade Marks Act does not empower the police officer to seal the factory premises and that by way of Section 115(4), the police only have the authority to seize, without warrant, the goods, die, block, machine, plater, other instruments, or things involved in committing the offence.

The respondents, on the other hand, submitted that the machinery being huge in size, it was not possible for the police officer to seize the same as envisaged under Section 115(4) of the Trade Marks Act and, therefore, to secure the machinery and ensure that the same is not used in the commission of any offence, the factory premises were sealed. Additionally, the respondents submitted that the petitioner had an alternate remedy before the Judicial Magistrate, First Class, where the seized articles are required to be produced by the police.

The Court, on perusal of Section 115 of the Trade Marks Act, noted that there is no power vested in the police to seal the factory premises where the incriminating articles are situated and that the provisions of Section 115(4) only permit the police officer to seize without warrant, the articles/items enumerated therein. Further, regarding the respondents' submission of alternate remedy, the Court held that the provisions indicate that where there is seizure of articles, the same is required to be produced before the Magistrate, however, there is no seizure in the present case. Holding that the petitioner has established a prima facie case for the grant of ad-interim relief for de-sealing the factory premises, the Court ordered the same to be done.

The Court further held that it is open for the police to seize the incriminating articles in accordance with Section 115(4) of the Trade Marks Act. The Court ordered for the factory premises to be de-sealed and further submitted that the seizure of incriminating articles would be done in accordance with the provisions of the law.

26. Assessing Phonetic Similarity and Likelihood of Confusion

Case: Institut Europeen D Administration Des Affaires Association vs Fullstack Education (P) Ltd [C.O. (COMM. IPD-TM) 1/2021]

Forum: High Court of Delhi

Order Dated: May 17, 2023

Issue: Whether the respondents' mark "INSAID" infringed upon the petitioner's mark "INSEAD" on the grounds of phonetic similarity?

Order: The petitioner, a business school founded in 1957, has been operating under Institut Europeen D Administration Des Affaires Association ('INSEAD') and logo . The petitioner had obtained registration for the word mark "INSEAD" on a 'proposed to be used' basis, along with registrations for the device mark in Classes 41, 35 and 16.

The respondents operate a similar institution named International School of AI and Data Science ('INSAID') and logo . The respondent had registered its mark in Class 41 (education; providing of training; entertainment; sporting and cultural activities).

The petitioner claimed that the respondent's "INSAID" mark was deceptively similar to its "INSEAD" and that the two marks were phonetically indistinguishable.

The Court observed that the petitioner registered its word mark "INSEAD" in 2007 and its device mark in 2012, compared to the respondents' claimed use since 2018. It was observed by the Court that the petitioner was the prior user of the mark "INSEAD" and rejected the respondents' claims that the marks "INSEAD" and "INSAID" were not phonetically similar.

The Court further observed that the outlook of phonetic similarity must be assessed from the consumer's point of view of the consumer. The Court applied the classical test of phonetic similarity as formulated in Pianotist Co.'s Application, Re, (1906) 23 RPC 774, and observed that such infringement matters must be decided on the 'initial interest confusion' basis. If there was any chance of confusion after the initial encounter by a consumer, then it is, ipso facto, an infringement case. The fact that such confusion might be dispelled later does not eliminate such infringement.

The Court stated that under Section 11(1)(b) of the Act, a mark could not be registered if it was similar to an existing mark, such marks were used for identical or similar goods or services, and there was a likelihood of confusion among the public.

Since the marks "INSAID" and "INSEAD" were phonetically similar and used for similar services, there was a likelihood of confusion ipso facto. The mere fact that the overall logos of the two marks were accompanied by pictorial representations or other features that may distinguish the marks as device marks would not diminish the confusingly similar nature of the two marks.

The Court said that the use of the acronym "INSAID", which is phonetically similar to the "INSEAD", could not be said to be honest or concurrent because the CEO of INSAID was well of the petitioner's institution and continued with the adoption of the acronym INSAID. The Court observed that no phonetic search was conducted and only a word mark search was conducted, which did not highlight the "INSEAD" mark as a suggested similar mark.

Thus, the Court directed that where an application was submitted for registration of a mark involving a word, a word mark search and a phonetic search should be conducted even at the preliminary stage. Since the case falls under the ambit of Section 11(1)(b) of the Act, the registration of the respondents' mark could not be sustained due to its similarity to the petitioner's trademark "INSEAD". The Court further ordered the registration of the impugned device mark "INSAID" to be quashed and set aside.

27. "Pbros" and "Fybros": Assessing Phonetic Similarities

Case: Fybros Electric Pvt. Ltd. vs Mukesh Singh & Anr. [C.O. (COMM.IPD-TM) 10/2021 & I.A. 12679/2021]

Forum: High Court of Delhi

Judgment Dated: May 18, 2023

***Issues*:**

- Whether the mark "Pbros" registered by Respondent 1 is eligible for registration under Section 11(1)(b) of the Trademarks Act?
- Whether the petitioner has the right to request rectification of the register and removal of the mark under Section 57 of the Trademarks Act?

***Judgment*:**

The petitioner filed a petition under Section 57(2) of the Trademarks Act 1999, requesting rectification of the Trademarks Register by removing the mark "Pbros" registered in favour of Respondent 1. The mark in question was registered under No. 4643936 in Class 11 starting September 7, 2020.

The petitioner argued that the mark "Pbros" registered by Respondent 1 should not have been granted registration as it is similar to the petitioner's mark "Fybros", and both marks are registered for identical goods, which could cause confusion among the public. Evidence, including invoices, was presented to establish that the petitioner has been using their mark since 2011.

Furthermore, the petitioner argued that since Respondent 1 filed the application for registration on a proposed to-be-used basis on September 7, 2020, their use of the mark cannot predate that date.

Due to the deceptive similarity between the marks, the petitioner requested rectification of the register by removing the impugned mark under Section 11(1)(b) read with Section 57 of the Trademarks Act.

The respondent submitted that the petitioner did not challenge the application to register the impugned mark when advertised. They also contended that the marks of the petitioner and respondent were phonetically,

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textually, visually, structurally, and design-wise, distinct, and different in entirety, and there was no possibility of any confusion in the public's minds.

The respondent also claimed that it operated its business in different spheres and different markets than the petitioner, and the petitioner failed to indicate that the registration of the impugned mark caused them any damage.

The Court disagreed with the petitioner's claims that the respondent's registration of the impugned mark was malafide. However, it was observed that a case of grant of relief existed under Section 11(1)(b) of the Trade Marks Act.

The Court held that the marks "Pbros" and "Fybros" are phonetically similar and that the marks are used for identical goods. The Court refuted the respondent's argument that there was no opposition to the mark by the petitioner after its advertisement. It held that any inaction at the time of advertisement does not divest the petitioner's right to seek rectification under Section 57.

28. Court Overturns Registrar's Rejection in Trademark Registration Dispute

Case: Abu Dhabi Global Market vs Registrar of Trademarks, Delhi [C.A. (COMM. IPD-TM) 10/2023]

Forum: High Court of Delhi

Order Dated: May 18, 2023

***Issues*:**

- Whether the rejection of application of appellant's mark by Registry of Trademarks the grounds that the mark contains the word 'Abu Dhabi' which is a geographical name, and the mark not being distinctive in nature, valid?
- Whether the appellant's mark, after the addition of the words "ABU DHABHI GLOBAL MARKET" eligible for registration?

***Order*:** The Registrar of Trademarks rejected the application to register the applicant that the Attorney of the applicant failed to establish the distinctiveness character of the mark by filing the evidence of use through an affidavit. It was held by the Registrar that the mark was neither coined nor invented.

An appeal was filed against the order passed, where the appellant submitted that the finding that the mark was not distinctive was completely unreasonable by any reason as the mark was already registered in favour of the appellant. Consequently, there was recognition on the part of the office of the Registrar of Trademarks that the device mark was distinctive and did not breach any of the occupying factors envisaged by Section 9 of the Trade Marks Act, 1999, as would bar registration of the mark. It was also submitted that if the mark was distinctive, it could not lose its distinctiveness by adding the words "ABU DHABI GLOBAL MARKET".

The appellant also submitted that the mark "ABU DHABI GLOBAL MARKET" had been adopted by the appellant under the Federal Laws of the United Arab Emirates (UAE) and issued in the name of the President of the UAE, which stated that "a Financial free zone shall be established under the name 'Abu Dhabi Global Market'." The respondent contended that Abu

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Dhabi was the name of a place and constituted the most prominent part of the mark which was sought to be registered. Therefore, the Assistant Registrar had correctly refused to register the mark in view of the absolute prohibition against such registration mentioned in Section 9(1)(b) of the Act.

The impugned order dated December 9, 2022, rejected the application on the grounds that the mark was not distinctive in nature and the word "Abu Dhabi" is a geographical name. Although the mark was a composite mark, merging the words "Abu Dhabi Global Market" with the logo and adding the words "Abu Dhabi Global Market" below the logo would not lose its distinctiveness. The requirement for providing evidence of the mark's usage to establish distinctiveness was unnecessary, and the Assistant Registrar could not have rejected registering the mark on the grounds that it is not "coined" or "inventive".

Due to the abovementioned reasoning, the impugned order was quashed and set aside. The Court held that the mark could be registered as a Composite Mark, and the evidence of the mark's usage was not required to establish the distinctiveness.

29. Plaintiff's Plea Prevails: Appellate Reversal on Order 7 Rule 11 Jurisdictional Hurdle

Case: Rukhmani Keshwani Trading as Vishwas Agarbatti Store vs Naresh Jeswani [RFA (COMM) 6/2023]

Forum: High Court of Delhi

Order Dated: May 25, 2023

Issue: Whether the Trial Court was right in rejecting the plaint of the plaintiff by invoking powers under Order 7 Rule 11 of the Code of Civil Procedure, 1908.

Order: The Plaintiff-appellant filed an appeal against the order of the Trial court, where the plaint was rejected under Order 7 Rule 11 of the Code of Civil Procedure. The trial court noted that the Plaintiff-appellant had not carried out any investigation and failed to produce tax invoices or decoy purchase documents proving that the defendant had been selling infringing goods of the plaintiff within the territorial jurisdiction of the Court. The Plaintiff-appellant submitted that the Trial Court had committed a 'manifest illegality' and that while dealing with applications under Order 7, Rule 11, the submission made in the plaint alone is liable to be considered.

The Court perused the records and referred to precedents dealing with the issue. The cases referred in the matter reiterated that an objection to the territorial jurisdiction in an application under Order 7, Rule 10 of the Code of Civil Procedure is by way of a demurrer; that is, the objection to territorial jurisdiction must be construed after taking all the averments in the plaint to be correct. In another case, the Supreme Court has observed that when an objection to jurisdiction is raised by way of demurrer and not at the trial, the objection must proceed on the basis that the facts, as pleaded by the initiator of the impugned procedure, are true. Considering these points, the appeal was allowed, and the previous order, as passed by the Trial Court, was set aside.

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30. Trademark Turmoil: Unravelling the Fybros vs. NJBROS

Case: Fybros Electric Pvt. Ltd. vs Vasu Dev Gupta Trading as Vasu ElectronicsC.O. [(COMM. IPD-TM) 13/2021 and I.A. 13372/2021]

Forum: High Court of Delhi

Order Dated: May 25, 2023

Issues:

- Whether the respondent's mark **NJBROS** is liable to be removed from the Trade Marks Register by applying Section 57 read with Section 11(1)(b) of the Trade Marks Act, 1999 ("the Act")?
- What constitutes "*common to the trade*" under Section 17(2)(b) of the Act, and whether the term "BROS" is common to the trade?
- Whether the adoption of the respondent's mark **NJBROS** was *bona fide*?

Order: The Petitioner, being the registered proprietor of the mark in classes 9 and 11, challenged the registration of the respondent's wordmark **NJBROS** registered in class 11 ("impugned mark") under Section 57(2) read with Section 11(1)(b) of the Act, submitting that:

(i) the mark **NJBROS** is deceptively similar to the mark ,
(ii) the goods in respect of which the two marks are presently being used are allied and cognate,
(iii) the petitioner has a subsisting registration for its mark in Class 11 for the same goods in respect of which the impugned **NJBROS** mark is registered in favour of the respondent and
(iv) there is, therefore, a likelihood of confusion in the minds of the public if the marks are allowed to co-exist.

The petitioner further produced evidence to show the use of its mark since 2010-11, while the impugned mark is filed on a *proposed to-be-used* basis, thereby claiming not only priority of registration but also a priority of use.

The respondent contended that adopting the impugned mark **NJBROS** was *bona fide* as the same was derived from the names of two brothers, Nitin and Jatin. Moreover, the respondent argued that the suffix "BROS" is common to the trade, and therefore, the petitioner cannot claim any exclusivity over it as per Section 17 of the Act. To support this claim, the respondent submitted a copy of the search reports from the online records of the Trade Marks Registry, showing the use of "BROS" in several marks. The respondent also contended that while the petitioner's mark is registered in both classes 9 and 11, the proof of actual use of the mark is not available for Class 11, in which the impugned mark is registered, and therefore, Section 11 will not apply.

As for the first issue, the Court enumerated the essential requirements for the applicability of Section 11(1)(b), namely, (i) similarity to an earlier trademark, (ii) identity or similarity of the goods or services covered by the conflicting trademarks, and (iii) likelihood of confusion thereof.

The Court noted firstly that the conflicting marks are similar. The Court relied on its pronouncement, which was made a few days before this in favour of the same petitioner in the case of *Fybros Electric Pvt. Ltd. vs Mukesh Singh*, wherein the conflicting marks fybros PBROS were held to be similar. The Court held the same ruling to apply *mutatis mutandis* to the instant case.

The Court further elaborated on the *classic test of similarity* by relying on various landmark cases that have laid down that the question of similarity must be approached from the point of view of a man of average intelligence and imperfect recollection. What is to be seen is the overall structure and phonetic similarity without splitting it into parts or considering the etymological meaning. Where the petitioner's mark essentially consisted of a word, and the word which constituted the dominant part of the impugned mark was phonetically similar, the presence of added material in the conflicting marks would not derogate from the similarity between the two marks.

Thus, the first requirement of Section 11(1)(b) stood satisfied. Coming to the second requirement, the Court noted, contrary to the respondent's contention that the petitioner's mark is not being *used* for the goods in class

11, that the expression *"covered by the trademark"* in Section 11 cannot be equated with the words *"in respect of which the mark is used"*. Coverage of a trademark has to be decided based on the certificate of registration, which sets out the goods for which the trademark is registered. All such goods would be *covered by the trademark*. Here, the conflicting marks were registered in class 11, covering the same goods.

The Court further noted that, even if one were to go by the user of the conflicting marks, it was seen that the petitioner uses its mark fybros in respect of wires, cables, switchgear and lighting systems, and the respondent uses **NJBROS** for electronic items and home appliances. Thus, the goods are allied and cognate even if not identical, and there is a clear likelihood of confusion. Thus, the other two requirements of Section 11(1)(b) were also satisfied, which was applicable in this case.

As for the second issue, the Court, while relying on landmark cases, opined that to ascertain whether something is "*common to the trade*", one cannot merely rely on a search report from the online records. The addition of the article "*the*" in the phrase "*common to trade*" makes the word "trade" a noun instead of a verb. It is to be seen if the question words are common to that specific trade. The Court further described the word "common" to mean frequent, customary, or habitual.

The argument of the respondent was dismissed as the same was not raised in the pleadings. In any case, the search report results were not enough to establish the commonality of the term "BROS". Hence, Section 17(2)(b) was not applicable.

As for the last issue regarding *the bona fide* adoption of the impugned mark by the respondent, the Court held that the ground of *bona fide* adoption does not bind Section 11. While Section 11 is subject to Section 12 however, Section 12 talks about honest and concurrent users and not *bona fide* adoption. Therefore, it is not relevant for the applicability of Section 11 if a mark was adopted *bona fidely*. In conclusion, the Court directed the Registrar to remove the impugned mark **NJBROS** from the Register of Trade Marks under Section 57(2), read with Section 11(1)(b) of the Act.

31. Resilience Rewarded in Appeal

Forum: High Court of Delhi

Case: Resilient Innovations Pvt. Ltd. Vs. Phonepe Private Limited & Anr. [RFA(OS)(COMM) 8/2021]

Judgment Dated: May 25, 2023

Issues:

- Whether the appeals preferred by RIPL are maintainable?
- Whether Section 124 of the Trade Marks Act, 1999 is applicable to the matter?

Judgment: PhonePe Pvt. Ltd. (PPL) claimed to have been using its logo पे since September 2015, which was placed on the register in December 2016. RIPL applied for Bharat पे in January 2018, which was withdrawn in November 2018 pursuant to the address of legal notice from PPL. RIPL continued using BharatPe it instead. In May 2019, PPL instituted a suit for infringement and passing off against RIPL, seeking an injunction against the use of a deceptive variant of "Pe" or "PhonePe" before the Delhi High Court.

An interim injunction was not granted, however RIPL was directed to maintain accounts of profit. RIPL subsequently filed for a "PostPe" trademark in April 2021, which was then opposed by PPL in September 2021. In October 2021, RIPL initiated rectification petitions against PPL's trademarks, which were dismissed via a Single Judge's judgment. PPL also filed suit before the Bombay High Court asserting that RIPL's continued use of its "PostPe" trademark was infringing its trademarks "Phonepe", and its variants.

Two issues arose in the adjudication of these appeals – maintainability of appeals as PPL contended that there is no intra-court appeal available against a judgment passed under Section 57 of the Trade Marks Act (rectification provision) and if the Single Judge's judgment was rightly passed.

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With respect to the first issue, PPL contended that the rectification provision of the Trade Marks Act (including amendments incorporated after the abolition of IPAB) does not provide for an intra-court appeal in matters where the High Court rendered the decision on the rectification petition. CPC provisions were also not made applicable to the rectification petitions filed under Section 57 of the Trade Marks Act, and therefore, appeal by way of Letters Patent would not be available qua a decision passed by a Single Judge of the High Court on a rectification petition.

RIPL defended the maintainability of their appeals by claiming that the appeal lies under Clause 10 of the Letters Patent, from which the High Court derives its powers. And such intra-court appeal is not expressly excluded under the Trade Marks Act.

With respect to the second issue, RIPL contended that Section 124 of the Trade Marks Act for a stay of infringement proceeding is invoked when there is a pending infringement suit, and the defendant had pleaded the invalidity of the plaintiff's registered trademark based on which the infringement action is filed. Infringement suit filed before the Delhi High Court by PPL was based on statutory rights in three registrations in classes 9, 38 and 42 against RIPL's use of , and rectification petitions filed by RIPL were initiated against the same three registrations and additional registration for, in class 36.

Thus, at least the Single Judge's judgment wasn't sustainable against fourth registration since RIPL could not have pleaded its invalidity in the suit filed before the Delhi High Court. PPL countered that the suit before the Delhi High Court was based on infringement of RIPL's use of and RIPL had stated in their written statement that reliant PPL's trademarks were liable to be rectified as those have been dishonestly registered. Since RIPL had taken the defence of invalidity in the Delhi suit, which was pending when rectification petitions were filed, instances of Section 124 of the Trade Marks Act were fulfilled. As mandated under this provision, since RIPL sought no permission before filing rectification petitions, the petitions were rightly dismissed.

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The Court took into account various case precedents relied upon by both sides for the maintainability of appeals. It was observed that an appeal can be preferred if a statute provides for an appeal, and since Letters Patent is treated as the paramount charter under which the High Court functions, the provision for appeals made under it cannot be obliterated unless it is excluded specifically by the concerned statute.

A plain reading of Clause 10 of the Letters Patent showed that an appeal would lie from a decision of one judge of the High Court or one judge of any of the Division Courts unless specifically excluded from the purview of the relevant statute.

Comparing the relevant appeal provisions of the Trade Marks Act of 1940, 1958 and 1999 (unamended – prior to the abolition of IPAB), the Court found that one level of appeal is provided from a decision on a rectification application rendered by the Registrar. However, no appeal could be preferred from IPAB's decision. With the abolition of IPAB, both the High Court and Registrar can now decide the rectification petition.

The Registrar's decision can still be appealed before the High Court. Considering the instances where intra-court appeal would fall, the Court held that the Trade Marks Act, 1999 did not exclude one level of scrutiny by way of an intra-court appeal preferred under Clause 10 of the Letters Patent and, thus, present appeals filed before the Court were maintainable.

As per Section 124 of the Trade Marks Act, if rectification proceedings against trademark/s in issue are pending, the Court trying the infringement action is required to stay the suit, pending the final disposal of those rectification petitions before the Registrar or the High Court. The Court agreed with RIPL's contentions that the Single Judge could not have dismissed the rectification petition filed against the fourth registered trademark of PPL.

Coming to the second issue, following the principle set by the Patel Field Marshall case, the Court observed that Section 124 of the Trade Marks Act doesn't state that a rectification petition ought to be dismissed *in limine*, where the concerned Court was yet to frame an issue. Thus, the dismissal of the rectification petitions was incorrect, and those must have been kept

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in abeyance until the concerned Court decided on the validity of the registered trademark as a tenable issue.

The appeals were accordingly allowed, the Single Judge's judgment was set aside, and rectification petitions were directed to be kept in abeyance until the Court in Delhi suit framed an issue regarding the validity of the concerned registered trademarks of PPL. If no issue in this regard is framed, rectification petitions will be closed.

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32. Delhi HC Restrains Bodhisatva Charitable Trust for Unauthorised Use of 'Mayo' Trademark

Case: Mayo Foundation vs Bodhisatva Charitable Trust and Ors. [CS(COMM) 920/2022, I.A. 22385/2022]

Forum: High Court of Delhi

Order Dated: May 29, 2023

Issues:

- Whether the adoption of the mark "MAYO" by the defendants was honest?
- Whether the use of the mark "MAYO" by the defendants amounted to infringement as well as passing off?

Order: The plaintiff is a wholly owned subsidiary of Mayo Clinic, a world-famous charitable organisation incorporated in the United States of America ("USA"). The plaintiff is the proprietor of the trademark 'MAYO' and MAYO formative marks in relation to the goods and services offered by the plaintiff in Classes 16, 41, 42 and 44 and other classes, including registration for the standalone word mark 'MAYO' dating back to 1992 in India.

'MAYO' is also the plaintiff's house mark and constitutes the essential and dominant part of the plaintiff's trading style and the domain names for its websites www.mayoclinic.org, www.mayo.edu and www.mayoclinic.com. The plaintiff became aware of the use of the trademark 'MAYO' by defendant No. 1 in 2014 and subsequently sent a legal notice to them about the same.

Defendant no. 1 had been using the mark 'MAYO' for the defendant institutions since 2011/12 and had filed trademark application no.2321790 for the device mark, in Class 41 which was opposed by the plaintiff. The said application was abandoned by the order dated March 21, 2018, of the Trade Marks Registry. However, in 2020, on being notified of Defendant No. 1's continued use of the mark 'MAYO' in relation to healthcare and educational services, the plaintiff filed an application for pre-litigation mediation with Defendant No. 1 before the Delhi High Court Mediation & Conciliation Centre. However, the mediation proceedings were closed as a "non-starter" as no response was received from defendant No. 1. The plaintiff filed the present suit seeking the relief of permanent injunction against the defendants, restraining them from infringing the registered trademarks of the plaintiff as well as passing off.

In its reply to the said application, the defendants contended that the defendant institutions mainly cater to patients from small towns of Eastern Uttar Pradesh, who have not heard of the plaintiff or Mayo Clinic, USA, and, therefore, there cannot be any question of confusion in the relevant section of the public.

It was also contended that the plaintiff could not claim monopoly over the word 'MAYO' as it is not a coined term and, further, that the plaintiff's marks are not entitled to protection as a '*well-known trademark*' in India as the said marks do not have any reputation or goodwill in India. Additionally, the defendants submitted that the Court does not have the territorial jurisdiction to entertain the present suit merely because the defendants' websites are accessible in Delhi and that the reliefs sought in the present suit are barred by delay, laches, and acquiescence.

While making its submissions before the Court, the plaintiff submitted that defendant no. 4's website clearly states that the defendants gathered inspiration from Dr. William Mayo of 'MAYO CLINIC', U.S.A. and that its founder studied medicine and worked in hospitals in the USA, making the adoption of the trademark 'MAYO' by the defendants dishonest and an attempt to ride on the goodwill and reputation of the plaintiff. They further argued that the adoption of the trademark by the defendants was dishonest, the defendants cannot take the defence of delay and that it is an admitted position that the defendants started using the mark 'MAYO' for education only in the year 2011/12, whereas the plaintiff's registration under Class 41 for educational services is from the year 2008.

The defendants submitted that they have been using the mark 'MAYO' since the year 1995 in relation to healthcare facilities, and even though prior registrations of the mark 'MAYO' and 'MAYO CLINIC' in favour of the plaintiff have existed since 1992, these were only in Class 16. Subsequent registrations granted to the plaintiff in 2008 would not matter as the defendants had already made extensive use of the word 'MAYO' by then.

They also submitted that, since the use of the mark by the defendants is in respect to services not covered by the registrations in favour of the plaintiff, no case for infringement is made out. Additionally, it was submitted by the defendants that 'MAYO' is a common name in India, also being used by the 'MAYO COLLEGE' in Rajasthan, India.

The defendants also submitted that they were ready to add the prefix, 'Dr Kailash Narayan' to their existing names wherever the mark 'MAYO' occurs to distinguish the same from the plaintiff's trademark in response to which the plaintiff submitted that the fact that the defendants are ready to this shows that the adoption of the mark 'MAYO' by the defendants in the first instance was indefensible and that the balance of convenience is in favour of the plaintiff as the defendants can easily transition to a new mark.

The Court noted that the plaintiff got the word marks ‘MAYO’ and ‘MAYO CLINIC’ as well as the device mark ‘MAYO’, registered under Class 16 dealing with ‘*periodicals, medical or other journals*, *printed matter*' in 1992. At the time, there were only Classes 1 to 34 under the Trade Marks Act, 1999, and therefore, the registration under Class 41 and 44, respectively, dealing with educational services and medical and health care services, were not available to the plaintiff.

Having noted this, the Court held that '*hospitals’* and ‘*education services providing courses of instruction in medicine and health care’* would be allied and cognate to ‘*medical journals and periodicals*’ as all of them relate to the healthcare and medical education sector and held that the defendants using identical marks in respect of services that are like those of the plaintiff, makes for a *prima facie* case of infringement under Section 29(2)(a) of the Trade Marks Act, 1999.

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Further, the Court also held that the plaintiff obtained registration of the mark 'MAYO CLINIC' under Class 41 in 2008. In contrast, the defendants began to use 'MAYO' for education purposes only in the year 2011/2012. Therefore, the defence of prior use under Section 34 of the Trade Marks Act, 1999 would not be available to the defendants.

Holding the use of the mark ‘MAYO’ by the defendants in relation to healthcare services to be completely arbitrary and distinctive, the Court noted that the use of the mark in ‘MAYO COLLEGE’ is not relevant as it has nothing to do with the field of healthcare or medical education. The Court also found it relevant to point out that the defendants themselves had filed an application for registration of the device mark, Mayo Institute of Medical Sciences and therefore, it cannot argue that ‘MAYO’ is non-distinctive. The Court noted that the founder of the defendant institutions was not only aware of ‘Mayo Clinic’ in the USA but also drew inspiration from Dr. William Mayo, the founder of ‘Mayo Clinic’, USA and in its *prima facie* view, held that the adoption of the name ‘MAYO’ by the defendants was clearly dishonest and further held that, because of this even if there was a delay on part of the plaintiff in filing the present suit, the statutory right of the plaintiff could not be denied.

On the question of acquiescence, the Court pointed out that the plaintiff had sent a legal notice to the defendants as far back as 2014, and it had also placed on record the reply of the defendants to this notice, which the defendants have not denied. Further, the plaintiff had also filed an opposition to the trademark application of the defendants in respect of the device mark Mayo Institute of Medical Sciences, which the defendants later abandoned, but they continued to use the mark of the plaintiff dishonestly.

The defendants also failed to participate in mediation proceedings initiated by the plaintiff, and therefore, considering these instances, the Court held that it cannot be said that there was any acquiescence on the part of the plaintiff to the use of the mark 'MAYO' by the defendants. In the added matter of the prefix, the Court noted that if the defendants are willing to add the proposed prefix, 'Dr. Kailash Narayan', to their institutions, there is no justification for them to continue using 'MAYO' as a part of their name and held that even with the addition of the proposed prefix, it could not be said that there would not be any likelihood of confusion, as the aforesaid proposed name 'Dr. Kailash Narayan Mayo' would convey a false impression of affiliation/association of the defendants with the plaintiff, and therefore, infringement would continue.

In the matter of passing off, the Court, while upholding the test of '*first in the world market*', held that it cannot be denied that the name 'MAYO' was first adopted and used by the plaintiff in respect of hospitals and medical educational institutes and that the mark 'MAYO' has attained global reputation as well as sufficient reputation and goodwill in India evidenced from 33 crore sessions by Indian users on www.mayoclinic.org and over 10 lakh sessions by Indian users on the www.mayo.edu.

Holding the adoption by the defendants of the mark 'MAYO' to be an attempt to ride on the goodwill and reputation of the plaintiff, the Court held that a *prima facie* case of passing off had been made out by the plaintiff. Finally, on the question of territorial jurisdiction, the Court expressed its view that the issue is a mixed question of law and fact, which would have to be finally determined on the basis of evidence produced by both sides. However, based on the averments made in the plaint and the material on record, at the *prima facie* stage, it was not inclined to reject the suit on the grounds of territorial jurisdiction.

The balance of convenience was held to be in favour of the plaintiff as the use of the identical mark 'MAYO' by the defendants is likely to cause confusion in the minds of the consumer, and the plaintiff would continue to suffer irreparable injury to its goodwill and reputation. Accordingly, the defendants, their directors, officers, servants, agents, distributors, stockists, representatives and anyone acting for or on their behalf were restrained from using the plaintiff's trade mark/ name "MAYO" or any mark/name deceptively similar thereto, in any manner and listings on any social media platforms and third-party websites till the final adjudication of the suit.

33. 'CruzOil' Mark Eligible for Registration, Exempt from Provisions of Trade Marks Act

Case: Navaid Khan vs Registrar of Trademarks Office [C.A.(COMM.IPD-TM) 8/2023]

Forum: High Court of Delhi

Date: May 30, 2023

Issue: Whether the appellant's mark "CruzOil" is liable to be rejected under Section 9(1)(b) of the Trade Marks Act, 1999?

Order: The appellant filed the present appeal before the Delhi High Court under Section 91 of the Trade Marks Act, 1999, against the order dated 12.01.2023 passed by the Registrar of Trade Marks, refusing registration of the appellant's mark "CruzOil / " under Section 9(1)(b) of the Act holding that the subject mark may serve in trade to designate the kind, intended purpose of the goods or other characteristics of the goods. Further, the impugned order held the subject mark to indicate that "the oil is used in Cruz or for Cruz. It is the name of the product. It is not coined or invented. It cannot be monopolized."

The appellant contended that the subject mark is completely arbitrary and does not relate to the goods, which are industrial lubricants making is distinctive. Further, it was stated that the word "CruzOil" does not have a dictionary meaning, and the device mark has a combination of words, and devices must be considered as a whole for registration. The respondent, on the other hand, opposed this appeal and submitted that the grounds for refusal under Section 9(1)(b) of the Act are absolute, and since the mark is descriptive and designates the kind and intended purpose of the goods, the Registrar has rightly refused the application.

The Court noted that the subject mark for which the appellant has applied for registration is a composite device mark that contains the word "CruzOil" along with other elements, and the mark having a combination of devices and words must be considered as a whole for the purpose of registration.

In this case, the Court held that the subject mark is a device mark containing various unique and arbitrary elements. Relying on the Delhi High Court's recent judgment in *Abu Dhabi Global Market vs The Registrar of Trademarks, Delhi*, which interpreted Section 9(1)(b) of the Act in respect of composite marks and held that only those trademarks, which consist exclusively of marks or indications which designate the geographical origin of the goods, which cannot be registered under the provision which ipso facto excludes composite marks from its scope.

Agreeing with this definition, the Court held that the Registrar erred in dissecting the subject mark into its individual parts for consideration during registration. The Court also noted that other composite marks containing the word "Cruz" have been registered as valid trademarks.

34. Kent RO Systems Prohibited from Using 'KENT' Trademark on Fans

Case: Kent Cables Private Limited & Ors. vs Kent Ro Systems Limited & Ors. [CS(COMM) 596/2022 & I.A. 16118/2022]

Forum: High Court of Delhi

Order Dated: May 30, 2023

Issue: Whether Kent RO's manufacturing and sale of fans under the 'KENT' trademark amounted to trademark infringement and passing off, taking into account the potential confusion among consumers and the potential diversion of Kent Cables' customer base.

Order: The Delhi High Court ruled that Kent RO Systems Ltd. should be permanently prohibited from manufacturing and selling fans under the 'KENT' trademark. The Court determined that such actions were likely to confuse potential customers and lead to the diversion of Kent Cables Ltd.'s clientele, resulting in loss and harm. The Court dismissed Kent RO's application to restrain Kent Cables from selling fans.

The dispute arose when Kent Cables sought a permanent injunction against Kent RO and others, alleging infringement of their registered trademark 'KENT' and engaging in passing off activities related to electronic and electrical goods, including fans. Similarly, Kent RO sought an injunction against Kent Cables from manufacturing, selling, and advertising electric appliances, including fans, using the 'KENT' mark or any deceptively similar mark. The Court considered both applications jointly due to the similarities in facts and issues.

Upon examining the registration details of both companies, the Court identified the bone of contention as the claim related to fans. It noted that Kent Cables had been openly selling fans since 1984, while Kent RO was launching their fan products when the lawsuit was filed.

Regarding the infringement claim, the Court concluded that the conditions for infringement were not met. Although the registered trademarks of both parties were identical, the goods in question were not found to be identical or similar. The Court emphasized that for infringement to be established, it was necessary to demonstrate that the goods in question were allied and cognate to the registered goods of the claimant. Referring to a previous judgment, the Court highlighted that cables/wires were not considered similar to fans.

In terms of claiming an injunction based on 'prior user' and passing off, the Court recognized the superiority of the rights of a prior user over a registrant. It acknowledged that Kent Cables had adopted the 'KENT' trademark in 1984 and held prior registration for various goods, while Kent RO's first registration for a device mark using 'KENT' occurred in 1994.

The Court noted the extensive evidence presented by Kent Cables, demonstrating the use of the 'KENT' mark for fans since 2006. It concluded that allowing Kent RO, a newcomer to the fan business, to use the identical 'KENT' mark would likely confuse potential customers. Taking into account the increase in Kent Cables' sales during Kent RO's period of inactivity, the Court found that the balance of convenience favoured Kent Cables. As a result, the Court restrained Kent RO from manufacturing and selling fans under the 'KENT' mark while dismissing Kent RO's application to restrain Kent Cables from selling fans.

35. Now is Not the Time for Injunctions

Case: Bennet, Coleman & Company Limited vs E! Entertainment Television LLC [CS (COMM) 253/2019]

Forum: Delhi High Court

Order Dated: May 31, 2023

Issue: Whether the defendant's marks "E! Now" and "E! News Now" infringed the plaintiff's marks "TIME", "TIMES" and "NOW" and their series thereof, for its channels Times Now, ET Now, Mirror Now, Movies Now, and Romedy Now?

Order: Bennet, Coleman & Co., the plaintiff, popularly known as the Times Group, operates myriad businesses in print media, television broadcasting and channel distribution. It claimed to have trademarked "TIME", "TIMES", and "NOW" and their series thereof for its channels Times Now, ET Now, Mirror Now, Movies Now, and Romedy Now.

From October 2008, the plaintiff started using the "E Now" logo for entertainment and film review shows wherein 'E' referred to Entertainment and 'Now' connected it with the Times Group. Their trademark applications for E Now marks/logos in Classes 38 and 41 were opposed by the defendant, E! Entertainment, based on their rights on "E!".

The plaintiff claimed that the defendant asserted its proprietary rights in "E! Now" and "E! News Now" for television entertainment services falling in Class 41, but no trademark application was filed by it in India.

The plaintiff has over 250 registrations for the mark "NOW", with 78 registrations in Class 38 and 76 in Class 41. The plaintiff also claimed its exclusive right to use the "NOW" family of marks. The defendant's impugned marks bear structural similarity with the plaintiff's marks E NOW for the same services, constituting infringement and passing off.

The defendant contended that the plaintiff's earliest registration of the mark was in July 2008 - after it started using "E! News Now" in 2007 internationally. It also claimed that the "NOW" label/marks were wrongly registered in the plaintiff's favour. The injunction granted was for Class 38, in which the plaintiff had no registered rights in the mark. The defendant

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sought vacation of the injunction based on the plaintiff's misrepresentation where it concealed its response to the examination report for Romedy Now, that the mark NOW had no exclusivity being "common to the trade", and several third parties were using such marks.

The plaintiff also accepted that it was not using "NOW" as a standalone mark, and no cause of action arose in Delhi due to lack of purposeful availment. The defendant's E! family of trademarks also enjoyed a transborder reputation in India. The plaintiff countered this with the need for substantial corroboration evidence to prove "common to trade".

The Court considered these factors and basis judicial precedents vis-à-vis cause of action and acknowledged its territorial jurisdiction to entertain the suit based on the plaintiff's subsidiary office in Delhi and service of legal notice there.

The Court observed that the injunction was issued based on the representation of several registrations for the "NOW" trademark in various classes; however, only Classes 38 and 41 were relevant for the present suit.

The plaintiff did not have standalone proprietary over the mark in Class 38, and the registration in Class 41 was filed in September 2014 on an intent-to-use basis, which remains unused to date. The registration in Class 41 cannot be used to seek an injunction against the defendant's marks, especially when the first use of "E-News Now" dated to 2007.

Following the test of trademark infringement laid down by celebrated judgments, it was observed that the action for infringement is a statutory remedy for registered proprietors of a trademark to vindicate exclusive rights for using it. While the plaintiff held different "NOW" formative registrations, the Court concluded that "NOW" is a common word and used by several entities.

The plaintiff also admitted to the term being "common to trade" and disclaimed "NOW" in its three registrations, including one in Class 38. Therefore, the plaintiff cannot take a contrary stance that "NOW" is distinctive to its services. The Court observed that the defendant was using E and E! with "NOW" and "E NEWS NOW", before the plaintiff.

The Court also denied the injunction to the plaintiff due to suppression of material facts. The original plaint incorrectly claimed that the plaintiff's principal office was in Delhi, and the plaintiff had a wavering stance on the defendant’s transborder reputation to seek an injunction and refute the defendant’s prior rights. The Court directed to vacate the ad-interim injunction issued against the defendant.

36. New Balance Achieved After Court Tilts Scales

Case: New Balance Athletics Inc. vs New Balance Immigration Private Limited [CS(COMM) 444/2022]

Forum: High Court of Delhi

Date: June 1, 2023

Issue: Whether the use of the impugned mark by the Defendant was infringing the plaintiff's "NEW BALANCE" and "NB" marks?

Order: The Plaintiff, New Balance Athletics Inc., is a company specialising in designing, producing and distributing footwear and apparel globally. It commenced a legal action against New Balance Immigration Private Limited to obtain a permanent injunction, asserting that the defendant had violated its trademarks, engaged in deceptive practices by passing off its goods and services as the plaintiff's, and carried out other associated activities.

To substantiate their allegations, the plaintiff presented evidence showcasing their extensive history of using and registering the 'NEW BALANCE' and 'NB' marks. The plaintiff claimed that it started using the mark 'NEW BALANCE' in India in 1986 and had valid and subsisting registrations for the marks in Class 25 and other classes along with a domain name, 'NEWBALANCE.COM', registered in 1995.

The Defendant, New Balance Immigration Private Limited, was offering immigration and visa procurement services in India. In May 2022, the plaintiff issued a legal notice and reminder notice to the defendant, to which the latter submitted no response. Subsequently, the plaintiff sought an investigator's report, which stated that the defendant was using the 'NEW BALANCE' mark as a part of its corporate name and the 'NB' device mark as a part of its corporate logo. It was also highlighted that the impugned mark formed a part of the defendant's domain name, 'NEWBALANCEIMMIGRATION.COM'.

Despite being served with the summons, the defendant failed to appear in court, resulting in an *ex-parte* order in favour of the plaintiff on October 12, 2022. This order granted an interim injunction restraining the defendant from using the trademarks in any manner, including advertising, and using them as its corporate name or its domain name.

Subsequently, the defendant filed an application seeking permission to participate in the lawsuit. Considering the defendant's justification for their absence, the court permitted them to participate in the lawsuit from the date they officially appeared.

The defendant claimed that it was using the impugned marks in different trade channels, thereby eliminating any likelihood of confusion. However, the court addressed the plaintiff's request to incorporate additional documents into the official records, which provided proof of the defendant's persistent use of the infringing marks despite the previously issued injunction. The court approved the application and admitted the additional documents as admissible evidence.

The court analysed the plaintiff's claims, including their ownership of the 'NEW BALANCE' marks, the goodwill and reputation associated with those marks, and the deceptive similarity between the plaintiff's and the defendant's marks. The court made a comparison between the marks of the plaintiff and the defendant as follows:

Defendant's Marks	**Plaintiff's Marks**
NEW BALANCE	NEW BALANCE
	**NB**  

Following the above comparison, the court determined that the defendant's mark was deceptively similar to the plaintiff's marks. Moreover, the defendant was found to be using an 'NB' device mark that fully incorporated the plaintiff's 'NB' mark, thus creating an association with the plaintiff.

The court also held the Defendant's domain name to be deceptively similar to that of the plaintiff and is likely to deceive the public of its association with the plaintiff. Accordingly, the court concluded that the defendant's utilisation of these marks in their trade name and domain name was likely to deceive the public, constituting trademark infringement and passing off. The court further observed that the defendant's failure to appear and file a written statement within the prescribed period undermined their defence.

Consequently, the court ruled that the defendant had no real prospects of successfully defending the claims in the lawsuit. As a result, considering the evidence presented by New Balance Athletics Inc., the High Court of Delhi granted relief to the plaintiff by allowing their participation in the suit and admitting the additional documents as evidence. The court found the defendant to be in violation of the injunction order and concluded that they had no real prospects of successfully defending the case.

37. Old Monk Rum Prevails in Trademark Dispute

Case: Mohan Meakin Limited vs The Devicolam Distilleries Ltd. [COMS No. 5 of 2023]

Forum: High Court of Himachal Pradesh

Judgment Dated: June 2, 2023

Issue: Whether the defendant's use of trademark 'OMR', a short form of the plaintiff's mark Old Monk Rum written in the same stylised font/manner as that of the plaintiff, amounts to confusion?

Judgment: The High Court of Himachal Pradesh has delivered a judgment dated June 02, 2023, in a matter between Mohan Meakin Limited and The Devicolam Distilleries Ltd., wherein the defendants are guilty of adopting a trademark which is nearly identical to the plaintiff's trademark in relation to same goods.

The plaintiff is aggrieved by the defendant's trademark OMR, the short form of the plaintiff's mark **O**ld **M**onk **R**um, written in nearly identically stylised font/manner as that of the plaintiff. Plaintiff claims to be a renowned Indian Company in the liquor industry with established Breweries and Distilleries in various parts of the Country and owns and is using several Trade Marks, including the marks 'Old Monk' and 'Monk' since 1971 and 2008, respectively.

The plaintiff, in support of its submissions, placed reliance upon the judgments pronounced by the Supreme Court in *ADS Spirits Pvt. Ltd. vs Shubhom Juneja, (2023) SCC OnLine Del 2654; Parle Products Private Limited vs J.P. and Co., Mysore (1972)1 SCC 618; Heinz Italia & another vs Dabur India Ltd. (2007)6 SCC 1; Colgate Palmolive Company and another vs. Anchor Health and Beauty Care Pvt. Ltd. (2003) SCC Online Del 1005; Laxmikant V. Patel vs Chetanbhai Shah and another (2002)3 SCC 65 and Wander Ltd and another vs. Antox India P. Ltd. (1990) Supp. SCC 727.*

The plaintiff further submits that a trademark application filed by the defendant for the word mark 'DDLs OMR' in Class 33 has been opposed by the plaintiff by filing a representation in the Trade Marks Office; the same is pending adjudication.

Taking into consideration the materials placed before the High Court and submissions made by the plaintiff, the court opined that a prima facie case is made out in favour of the plaintiff for passing an ad-interim order.

Consequently, the Court restrained the defendant and their promoters, assigns, relatives, successors-in-interest, licensees, franchisees, directors, representatives, servants, distributors, employees, agents, etc., or anyone associated with the defendant from using/selling/importing/exporting the products/bottles bearing the objectionable trade dress/shape/design/label/packaging/layout/colour scheme viz dress / shape/ design/ label / packaging / layout /colour scheme under the mark OMR, short form of plaintiff's mark **O**ld **M**onk **R**um and/or any other trade dress / shape/ design/ label / packaging / layout / colour scheme identical with or similar to the plaintiff's products/bottles under the mark OLDMONK/ MONK and trade dress / shape/ design/ label /packaging / layout / colour scheme used in respect thereof in any manner whatsoever in respect of their business so as to pass off or enable others to pass off their business and/or goods/services as that of the plaintiff or in some other manner connected with the plaintiff.

38. Ferrero Spa Secures Relief Against Deceptive Use of 'NUTELLA' and 'KINDER' Trademarks

Case: Ferrero Spa & Ors. vs Kamco Chew Food Pvt. Ltd. [CS(COMM) 427/2023]

Forum: High Court of Delhi

Date: June 2, 2023

Issue: Whether the defendants' marks make out a prima facie case of infringement and passing off against the plaintiffs' mark?

Order: The plaintiff in the present matter is a company registered under the laws of Italy and asserts that it coined the trademark "NUTELLA" in 1964 and has been using it continuously and extensively since then. The plaintiff also presented its registrations for the "NUTELLA". The plaint also asserts that the "NUTELLA" product uses a unique and distinctive packaging with a distinctive design that acts as a source identifier for the plaintiff. Further, the trademark "KINDER" was adopted by the plaintiff in 1968, and the mark "KINDER SURPRISE" was adopted by the plaintiff in 1974 as an extension to the former.

In May 2023, the plaintiff saw the defendant advertising its product, "COKOTELLA", using a label and colour combination which was deceptively similar to the label and colour combination used by the plaintiff for "NUTELLA".

The plaintiff provided a detailed comparison report in its plaint of the similarities between the plaintiff and defendants' labels and submitted that the defendant has merely created a combination of "KIND" from the "KINDER" and "ELLA", being the latter half of the word "NUTELLA" to make "KINDELLA". Additionally, it was submitted that the use of the concluding syllable "ELLA" renders the defendants' marks phonetically as well as otherwise deceptively similar to the plaintiff's mark.

The plaintiff also pointed out that by way of an earlier order against the same defendant, where the suit was decreed in favour of the plaintiff vide judgment dated 18.12.2019 and the mark "KINDER" was declared as a

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well-known trade mark within the meaning of Section 2(1)(zg) of the Trade Marks Act, 1999.

The plaintiff filed the present suit in the pursuance of these facts and sought a decree of permanent injunction restraining the defendants as well as all others acting on their behalf from using its products "COKOTELLA", "KINDELLA" and "MYTELLA" in the packaging and by using the trademark or any other mark which is deceptively similar to "NUTELLA" and "KINDER" of the plaintiff. Additionally, the plaintiffs also filed an application under Order 39 Rules 1 and 2 of the Code of Civil Procedure, 1908, seeking an interlocutory injunctive relief against the prima facie case of infringement and passing off.

The Court held that the facts herein made out a prima facie case of infringement and passing off, and the plaintiff was entitled to the registration of the plaint as a suit and ad interim interlocutory relief. The Court ordered that till the next date of hearing, the defendants, as well as all others acting on their behalf, shall stand restrained from manufacturing, marketing, making available for sale, selling, and dealing in any manner whatsoever in the impugned products or any other deceptively similar mark or product not authorised by the plaintiff and having identical or deceptively similar features of the plaintiffs' trademarks NUTELLA, KINDER, etc.

39. Madras High Court rejects PhonePe's appeal for Grant of Injunction Against DigiPe

Case: PhonePe Private Limited vs DigiPe Fintech Private Limited [O.A. Nos. 809 to 812 of 2022 and O.A. Nos. 156 to 159 of 2023 in C.S. (Comm. Div). No. 248 of 2022]

Forum: High Court of Madras

Order Dated: June 7, 2023

Issue: Whether the applicant can obtain an injunction against the respondent for infringement of its trademark "PhonePe"?

Order: An application was filed by the appellant stating that "PhonePe" is a distinct mark that has been in operation since September 2015. It is conceived by the applicant and is a combination of the words "phone" and "Pe." The word "Pe" does not have a meaning in English. However, it was adopted as a Hindi word 'पर', which literally means "on" and is also legally registered under the Trade Marks Act, 1999.

The appellant claimed that the mark "PhonePe" is distinctive and has a 40% share in the UPI business in India. Thus, it should be given protection through an exclusive right over the mark. Further, the usage of the same suffix 'pe' by the respondents in their trademark "DigiPe" is deceptively similar and can confuse the public.

The respondents contended that the applicant is not entitled to claim protection for the word 'Pe' since the expression in English is unregistered. Further, the applicant submitted that in Hindi, the expression 'Pe' means 'on', which results in the literal interpretation of the trademark as 'on the phone'. Therefore, the mark 'PhonePe' in terms of meaning is a general expression and is not eligible for registration under Section 9(1)(a) of the Trade Marks Act, 1999.

It was stated that the effect of registration of parts of a mark and the infringement of a registered trademark has been invoked in this case under Sections 17 and 29 of the Trade Marks Act, 1999. Based on Section 17, the respondent submitted that a registered trademark owner is not entitled to claim any "exclusive right' over part of the mark. In this case, the applicant has registered the word "Pe" but only in combination with "PhonePe." As a result, the applicant cannot assert any exclusive right over the expression "Pe".

In a recent case, Resilient Innovations Private Limited vs. PhonePe Private Limited, a similar suit against a third party was filed by the applicant, seeking protection and injunction from using the trademark “PostPe.” In the case, the court held that the plaintiff was ineligible to claim relief against ‘PostPe.’ The applicant in the current case failed to display complete and proper facts concerning the previous dismissal of a similar application. Based on this, the respondents stated that the applicant could not seek equitable relief of injunction as he did not approach the court with clean hands and failed to disclose all the material since the same was not mentioned in the plaint.

Further, the respondents claimed that the 'DigiPe' app is exclusively intended for merchant establishments and is not intended for individual consumers in general. It was also claimed that in addition to photographs of the business and bank account information, the user of this application needs to submit information such as the merchant's name, address, business name, PAN Number, GST Registration, and Aadhar. Many features in ‘DigiPe’ are different from ‘PhonePe’ as a result, and the respondent's app targets literate business establishments, which is not identical to the applicant’s app.

The High Court of Madras observed that the applicant’s act of withdrawing the interim application when it was about to be dismissed is absent in the affidavit. There is no mention of the previous suits filed before the Delhi High Court and Madras High Court.

The court further stated that equitable relief of injunction is granted to those who come with clean hands before the court, and the applicant failed to disclose all the material facts concerning failing to obtain interim orders in previous cases and dismissal of similar interim applications filed against the third parties. The court held that the applicant is not entitled to receive any protection for its mark.

40. Madras High Court Rejects Trademark Infringement Claim Due to Documentary Fails and Territorial Constraints

Case: Ashique Exports (P) Ltd vs Suresh K.K [O.S.A. (CAD) No. 96 of 2021]

Forum: High Court of Madras

Order Dated: June 20, 2023

Issues:

- Whether there was an infringement on the part of the defendant of the plaintiff's mark 'Super Wash – 555'?
- Whether the cause of action occurred within the territorial jurisdiction covered by the Original Side of the Court?

Order: The plaintiff, a prominent manufacturer of soap and detergent, alleged that they extensively marketed their washing soap under the trademark 'Super Wash – 555' since 1997. In 2012, the plaintiff discovered that the defendants had started a business using an identical soap wrapper with the words 'Super Wash,' aiming to deceive customers into thinking their products were from the plaintiff.

Consequently, the plaintiff sought a permanent injunction to prevent the defendants from infringing on the plaintiff's trademarks, 'Super Wash' and 'Super Wash – 555'. This included using a similar or misleadingly similar trademark on the soap wrapper, as well as any written content or representation that resembled the plaintiff's trademarks on the defendants' products.

However, the defendants argued that they had been producing handmade washing soap prior to the plaintiff, establishing a good reputation among the public and customers. They explained that the words on their soap were in the Malayalam language and targeted the territory of Kerala without reaching beyond the state. They emphasised that there were noticeable differences in the product appearance, such as layout, colour combination, and letter font size, making it clear to the average person that the plaintiff's and defendant's products were distinct.

During the witness examination in the trial court, it was noted that the defendants objected to the plaintiff's request to mark photocopies of the documents as evidence. The Trial Court referred to Rule 1 of Order XI of the Code of Civil Procedure, 1908, which allowed the plaintiff to submit a list of documents and their photocopies along with the initial suit.

However, it was emphasised that such documents must be proven as primary evidence under Section 64 of the Indian Evidence Act, 1872, during the trial. If a party intended to present a document as secondary evidence, they had to strictly adhere to the conditions specified in Section 65 of the Indian Evidence Act, 1872. In this case, the Trial Court observed that these conditions were not fulfilled.

The Trial Court concluded that the plaintiff did not adequately explain why they did not produce the original documents when photocopies were provided. As a result, the photocopies could not be accepted as evidence in the suit. The Bench agreed with the Trial Court's viewpoint, noting that the plaintiff had made no effort to present the originals of the relevant photocopies, thus affirming the Trial Judge's decision.

Additionally, the Bench pointed out that the plaintiff did not claim that the defendants conducted their business, manufacturing, or marketing within the territorial jurisdiction covered by the Original Side of the Court. Consequently, the requirements of Clause 12 of the Letters Patent, 1865, were not fulfilled for the suit to be filed on the Original Side of the Court. The Bench further noted that Section 124 of the Trademarks Act, 1999 could not assist the plaintiff since no part of the cause of action occurred within the territorial jurisdiction covered by the Original Side of the Court.

41. Karnataka High Court Directs Reconsideration in ‘NATRAJ’ Trademark Dispute

Case: Varun Chopra vs Shyam Sunder Chopra and Sons [MFA No.2638 OF 2023 (IPR)]

Forum: High Court of Karnataka

Order Dated: June 30, 2023

Issue: Whether Section 20 of CPC applicable for the cases filed for infringement and passing off of trademarks?

Order: M/s Raja Traders was a partnership firm that has been using the trademark 'NATRAJ' since 1956. The partnership firm was dissolved in 1980 due to the demise of one partner, and the other partner became the firm's sole proprietor.

The defendants impleaded in the suit filed an application for the registration of trademarks ‘SV NATRAJ’ and ‘SHRI NATRAJ JI’ and were using the said trademarks and selling their products in the city of Bengaluru, and therefore, the plaintiffs filed the suit before the Civil Court, Bengaluru.

The defendants filed an application for rejection of the plaint under Order 7, Rule 11(a) of the Civil Procedure Code, 1908, as neither party was residing or carrying on business within the jurisdiction of the Civil Court of Bengaluru.

The Plaintiffs filed objections to the application and emphasised Section 20 of the CPC, as the defendants were selling their products in the city of Bengaluru. The trial court held that the Civil Court had no territorial jurisdiction to try the suit and ordered the return of the plaint. The plaintiffs, being aggrieved by this decision, filed an appeal in the High Court.

The plaintiffs pleaded that the defendant was selling the product in the city of Bengaluru, and they have admitted the same in their written statement. The plaintiffs further pleaded that the trial court misconstrued judicial precedent relied upon where the respective courts had considered Section 134(2) of The Trademarks Act, 1999, and Section 62 of the Copyrights Act. The Courts have never held that Section 20 of CPC is not applicable for the matters filed for infringement and passing off the trademarks.

The Plaintiffs further argued that the Hon'ble Supreme Court has declared that the applicability of Section 134(2) of the Trademarks Act does not oust the applicability of Section 20 of the Civil Procedure Code, 1908.

Emphasis was further placed on Section 134(2) of the Trademarks Act. It was further argued that Section 134(2) excludes the applicability of Section 20 of the Civil Procedure Code, 1908, for cases filed for infringement and passing off the trademark.

The High Court analysed Section 134 of the Trademarks Act, 1999, Section 62 of the Copyrights Act; and Section 20 of Civil Procedure Code, 1908, and it was observed that Section 134 was introduced under the umbrella of Section 20 of the Civil Procedure Code, 1908. It was further observed that the main object of the enactment of Section 134(2) of the Act was to create an additional forum for the Plaintiffs.

The Court stated that from a conjoint reading of Section 134(2) of the Trademarks Act and Section 20 of the Civil Procedure Code, 1908, it is evident that an additional forum has been provided that includes a District Court within whose limits, the plaintiff actually and voluntarily resides or carries on business or personally works for gain. The object of the provisions was to enable the plaintiff to institute a suit at a place where he or they resided or carried out business.

The Court further declared that the expression "notwithstanding anything contained in the Code of Civil Procedure" does not oust the applicability of the provisions of Section 20 of CPC. The Court stated that the trial court misconstrued the relevant judicial precedent and remanded the matter back to the trial court with a direction to reconsider the rejection of the plaint.

42. Untying the Complex Trademark Dispute over 'ELEKTRON'

Case: Paragon Cable India & Anr vs Essee Networks Private Limited & Ors. [CS(COMM) 112/2023]

Forum: High Court of Delhi

Order Dated: July 3, 2023

***Issues*:**

- Whether prior use of the 'ELEKTRON' trademark, both in a general sense and specifically in relation to the products - wires and cables exists?
- Whether the registration of the trademark [No. 1306921] in class 07 extends the Plaintiffs' rights to seek an injunction against Defendants with regards to wires and cables on the anvil of infringement under Section 29(2)(a) or (b) of the Trademarks Act, 1999?
- Whether Defendants' use of both marks for wires and cables amounts to infringement and passing off of Plaintiffs' trademark?
- Whether Plaintiffs' delay in initiating this action can affect their claim and potentially bar them from obtaining injunctive relief?
- Whether the extent of reputation and goodwill each party has amassed under their respective 'ELEKTRON' trademark, specifically in relation to wires and cables, needs to be considered?

***Judgment*:** The court examined the critical issues in the case, primarily focusing on the validity of the Defendants' claim of prior use, the likelihood of infringement, and the question of passing off. The Defendants' claim of prior use of 'ELEKTRON' for capacitors in 1992 was supported by evidence preceding the Plaintiffs' adoption in 1998.

However, the Plaintiffs established themselves as prior users of 'ELEKTRON' specifically for wires and cables. Both parties had been using variations of 'ELEKTRON' for different products without conflict. Given

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their diverse product lines and lack of significant public confusion, the court recognised the possibility of peaceful coexistence.

Plaintiffs' claim of infringement against Defendants based on Section 29(2)(a) or (b) was dismissed, as the Defendants were registered owners. Plaintiffs' challenge to the validity of Defendants' registrations hinged on the Defendants' incorrect user claims. Defendants' registrations were challenged due to insufficient evidence supporting usage before 2004. The court found Defendants' registrations misleading and not immune from an injunction.

The court determined that electric wires and cables were not cognate or similar to the Plaintiffs' goods like juicers, mixers, etc. The plaintiffs' registration in class 07 did not extend to wires and cables. Plaintiffs established prior usage, reputation, and significant sales of 'ELEKTRON' goods. Defendants' minimal usage and potential confusion justified an injunction to prevent passing off.

The defendants' claim of delay was rejected due to the Plaintiffs' continuous and extensive use, established goodwill, and no reliance by the Defendants. The court issued an injunction restraining Defendants from using the 'ELEKTRON' trademarks for electric wires and cables. However, to avoid undue hardship, the injunction applied only from the date of the order forward. Products manufactured before the order date were exempt. Defendants were directed to submit an affidavit detailing existing stock within two weeks to ensure fairness in enforcement.

43. "ISTAMET XR CP" vs. "INDAMET": Sun Pharma Receives Injunction Against Glenmark

Case: Sun Pharma Laboratories Limited Vs. Glenmark Pharmaceuticals Limited [CS(COMM) 711/2022 & I.As. 20492-20493/2022, 1306/2023]

Forum: High Court of Delhi

Judgment Dated: July 3, 2023

***Issues*:**

1. Whether the two competing marks, i.e., "ISTAMET XR CP" and "INDAMET", are deceptively similar?
2. Whether the description of goods mentioned under Sun Pharma's registration and packaging of products under the competing marks, is sufficient to distinguish the parties' marks?
3. Whether Sun Pharma's stand in the present suit is hit by the plea of estoppel?
4. Where does the balance of convenience lie?

***Judgment*:** The case involves a dispute between Sun Pharma and Glenmark over their pharmaceutical product trademarks, particularly "ISTAMET XR CP" and "INDAMET." The key issue was whether these marks were deceptively similar and whether such similarity poses risks to public health. The court emphasised evaluating trademarks as a whole and protection based on overall consumer impression. The dominant feature of Sun Pharma's mark is "ISTAMET," which is similar to Glenmark's "INDAMET."

The court dismissed the notion that "MET" cannot be claimed exclusively. Pharmaceuticals require special consideration due to potential health risks. Different prescriptions and packaging are insufficient to prevent confusion, as patients self-administer medications. Added matter or packaging differentiation is inadequate to prevent confusion. The court prioritised public interest and safety, rejecting differentiation arguments.

The defendant argued to limit Sun Pharma's "ISTAMET XR CP" to diabetes treatment under Class 5. However, the court disagreed, considering the consumer perspective and potential confusion. The shared "MET" suffix overshadowed differences in MRP and applications. Accidental consumption risks and the ineffectiveness of differentiation strategies were also stressed. The defendant's claim about DPI use was refuted, as Rota Haler is not packaged with the drug. The court also emphasised correct assessment, rejected differentiation, and supported the potential confusion claim.

The defendant also argued estoppel due to Sun Pharma's previous distinctions of similar trademarks. Court dismissed this as unrelated to "INDAMET", as estoppel requires specific conditions that were unmet. The legal evaluation of trademark similarity is not subject to estoppel, and the weight of legal rights is paramount and not determined by routine oppositions. Therefore, the court held that the estoppel doctrine was inapplicable here.

Sun Pharma's usage and recognition of "ISTAMET" since 2011 favoured it, and Glenmark's recent "INDAMET" launch, despite opposition, suggested risk-taking. The 'first in the market' principle also favoured Sun Pharma, and Glenmark's disregard for opposition did not favour them. There was also no concealment of facts to deny the injunction. Therefore, the irreparable harm to Sun Pharma and public health concerns warranted an injunction.

Sun Pharma received an injunction against Glenmark, and the latter was restrained from producing, selling, advertising, or marketing products with marks similar to "ISTAMET XR CP." Existing products with the contested mark were exempt. However, Glenmark has not provided further details for such products.

44. Analysing Substantive and Procedural Rights: A Perspective from the SAP SE vs. Swiss Auto Products Case

Case: SAP SE Vs. Swiss Auto Products and Another [C.A.(COMM.IPD-TM) 130/2021]

Forum: High Court of Delhi

Judgment Dated: July 3, 2023

***Issues*:**

- Whether the stipulations of 2002 Rules regarding timelines for submission of evidence are of a mandatory or directory nature?
- Whether Respondent No. 2 had the jurisdiction to apply the 2002 Rules to formulate the disputed conclusion in the impugned decision?
- Whether the amendment introduced by the 2017 Rules to limit timelines for filing evidence under the 2002 Rules is a procedural or a substantive one?

***Judgment*:** In this case, the central theme of the arguments presented by both parties revolved around determining whether the stipulations of the 2002 Rules regarding timelines for submission of evidence are of a mandatory or directory nature. However, before addressing this, the Court found it essential to address a fundamental question - whether Respondent No. 2 had the jurisdiction to apply the 2002 Rules to formulate the disputed conclusion in the impugned decision.

The Court acknowledged that the relevant provisions pertaining to the filing of evidence have undergone considerable revisions with the enactment of the Trademarks Rules, 2017. It is crucial to ascertain whether the Registrar can apply the 2002 Rules, which prescribed rigid timelines for evidence submission.

Under the Trade and Merchandise Marks Rules, 1959, Rule 54 did not impose strict timelines on the Registrar's discretion to admit evidence requests beyond the prescribed period. A Full Bench of the Court had previously classified Rule 53 (evidence in support of opposition) of the 1959 Rules as a directory, not mandatory, as the Registrar was allowed to extend timelines for filing evidence under various provisions of the Trade and Merchandise Marks Act, 1958 and the 1959 Rules due to the absence of specific timelines in the 1958 Act itself.

However, a subsequent decision by the Court in **Sunrider Corporation vs Registrar of Trademarks** differed from the earlier ruling. The Court held that Rule 50(2) of the 2002 Rules was mandatory, not directory, due to specific language in the 2002 Rules. With the enactment of the 2017 Rules, which reverted to the state existing before the 2002 Rules, the core rationale behind the Sunrider Corporation decision no longer applied. Hence, the earlier decision in **Hastimal Jain Trading as Oswal Industries vs Registrar of Trademarks** regained relevance in determining whether the Registrar possesses the discretion to admit evidence submitted beyond the stipulated period of two months.

In the present case, the Impugned Order was passed when the 2002 Rules had been superseded by the 2017 Rules, which took effect on 06th March 2017. The Court examines the repeal and savings provision (Rule 158) in the 2017 Rules. Rule 158 states that the 2002 Rules are repealed without prejudice to anything done under those rules before the coming into force of the 2017 Rules.

The Court noted that the 2017 Rules repealed the 2002 Rules entirely but preserved actions, decisions, and rights under the 2002 Rules before the effective date of the 2017 Rules. In this case, since there was no final decision made by Respondent No. 2 under the 2002 Rules, the relevant proceedings would be governed by the 2017 Rules.

The Court delved into the retrospective application of law and referred to various judgments, stating that procedural amendments are generally presumed to hold retrospective efficacy unless explicitly indicated otherwise. Provisions related to timelines for filing evidence, being procedural, do not confer vested rights on parties. Therefore, pending actions would be governed by the amended procedure.

After this, the Court examined the effect of the repeal on the 2002 Rules by referring to the General Clauses Act, 1897. It clarifies that the savings clause in the GCA does not apply to the repeal of a 'rule.' The 2017 Rules and the 2002 Rules are rules within the meaning of the GCA, and thus, the saving clause in Section 6 does not protect the applicability of the 2017 Rules to proceedings before the Registrar.

The Court held that the Examiner erred by applying the 2002 Rules when they had been repealed and replaced by the 2017 Rules. While actions taken, decisions made, or rights granted under the 2002 Rules are preserved and valid, the 2017 Rules should govern the ongoing proceedings, considering the significant procedural changes they introduced.

The Court disagreed with the view expressed in **Mahesh Gupta vs Registrar of Trademarks**. It emphasised the need for clarity on whether the procedural changes introduced by the 2017 Rules apply retrospectively to proceedings initiated under the 2002 Rules. A Larger Bench is necessary to decide the following issues:

- Whether the procedural aspects, including the filing of evidence introduced by the 2017 Rules, apply retrospectively to proceedings initiated under the 2002 Rules.
- Whether failure to file evidence supporting the trademark application would be covered under "anything done under the Trademarks Rules, 2002," saved by Rule 158 of the Trademarks Rules, 2017, and would continue to be governed by the 2002 Rules.

Therefore, the Court requested the Chief Justice to constitute a Larger Bench to decide these crucial issues.

45. The Assumed Knowledge of Ex-Dealer or Distributor Regarding Owner's Trademark

Case: USCO S.P.A. & Anr. vs Twin Parts Pvt. Ltd. And Ors. [CS NO.87 OF 2023]

Forum: High Court of Calcutta

Judgment Dated: July 3, 2023

***Issues*:**

- Whether the defendants' use of the mark "USCO" confused the market?
- Whether the plaintiffs made a strong prima facie case for granting an injunction against the defendants?
- Whether the defendants are entitled to the benefit of Section 28(3) of the Trademarks Act, 1999?

***Judgment*:** Plaintiff no.1 is a company incorporated in Italy named "USCO" S.P.A in 1989. They manufacture and distribute spare parts for earth-moving machines, including repair parts and undercarriage products. The plaintiff no.2, incorporated in Dubai in 2006, acts as a distributor for the plaintiff no.1 in India. The plaintiffs claim that their mark "ITR" is registered and has been used in association with the word "USCO" to identify their products in the market.

The plaintiffs alleged that defendant no.1, along with Defendants Nos. 4 and 5 as its directors, is involved in a limited liability partnership (Defendant No. 3). Defendant No. 2 is a proprietary concern owned by Defendant No. 5. They claimed that defendant no.2 was an authorised distributor of the plaintiffs and had been selling products with the registered mark "ITR" and the word "USCO" mentioned on invoices since 2007.

However, the defendants have allegedly taken over the mark "USCO" and obtained its registration in 2019. Moreover, the defendants were accused of applying for another mark, "IITR," which the plaintiffs consider to be deceptively similar to their registered mark ", ITR," which led to infringement and passing off actions.

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The plaintiffs relied on various sections of the Trademarks Act, 1999, including Sections 27, 28(3), and 29(5), to assert their infringement and passing off claims. They argued that even if defendant No. 1 registered the mark "USCO" in 2019, the prior use of the mark "USCO" by the plaintiffs establishes infringement under Section 29(5). The plaintiffs also cited relevant judgments in support of their contentions.

The defendants refused the plaintiff's allegations, claiming that they never used the mark "USCO" to sell their products, which were sold under the mark "ITR." They argued that they applied for the mark "IITR" but faced objections and have not sold any goods under it. They assert that "USCO" is their registered trademark, and they have been selling products under it with substantial reputation and business.

After considering the arguments and evidence presented by both parties, the court found that the plaintiffs had made out a prima facie case of infringement and passing off. The court observed that the mark "USCO" has become synonymous with the plaintiffs' products, and the defendants' actions in attempting to register and use similar marks are suspicious. The court applied the principles laid down in **Ratnagiri Nagar Parishad vs Gangaram Narayan Ambekar & Ors.,** including the test of likelihood of confusion. It concluded that the plaintiffs are entitled to a temporary injunction.

Based on this, the court granted a temporary injunction against the defendants, restraining them from selling goods similar to those of the plaintiffs under the marks "IITR" or "USCO" until 31st August 2023 or until further orders. The court also ordered the defendants to file their affidavits in response to the claims made by the plaintiffs.

46. Delhi High Court granted Injunction in Favor of GLUCON-C and GLUCON-D

Case: Zydus Wellness Products Ltd. vs Cipla Health Ltd. & Ors. [CS(COMM) 115/2023, I.A. 4235/2023 (Order XXXIX Rules 1 and 2 of the CPC) and I.A. 9493/2023 (Section 151 of the CPC)]

Forum: High Court of Delhi

Judgment Dated: July 3, 2023

***Issues*:**

1. Whether the defendant's marks ("Gluco-C" and "Gluco-D") infringe the plaintiff's registered trademarks ("GLUCON-C" and "GLUCON-D")?
2. Whether the marks of the plaintiff ("GLUCON-C" and "GLUCON-D") and the defendant ("Gluco-C" and "Gluco-D") were likely to confuse was a question of first impression.
3. Whether the marks "GLUCON-C" and "GLUCON-D" are not entitled to registrations in view of Section 9(1)(a) and (b) of the Trademarks Act?

***Judgment*:** The court held that the plaintiff holds registrations for its marks "GLUCON-C" and "GLUCON-D." The defendant's marks "Prolyte Gluco-C ++" and "Prolyte Gluco-D ++" were held to be deceptively similar to the plaintiff's marks. The presence of additional elements does not absolve the defendant from infringement, as the essential parts "Gluco-C" and "Gluco-D" are prominently displayed on the packaging. The defendant's marks were found to infringe on the plaintiff's registered marks due to their deceptive similarity.

While the defendant's product pack shares some features with the plaintiff's, the distinct absence of key elements from the plaintiff's trade dress makes confusion unlikely. The court found that the trade dress of the defendant's products was not deceptively similar to that of the plaintiff's products, thereby negating any possibility of passing off.

The court disagreed with the defendant's claim that the plaintiff's marks were descriptive, holding that they were suggestive rather than merely descriptive. The marks were considered eligible for registration and did not violate the Trademarks Act. Protection under Section 32 for acquired distinctiveness through continuous use may apply.

The defendant's attempt to rely on Section 30(2)(a) was rejected since the entire marks "Prolyte Gluco-C ++" and "Prolyte Gluco-D ++" were not used descriptively. The court also dismissed the defendant's contention that the "+" signs were descriptive of calcium and flavour. Section 35 was deemed inapplicable as the defendant's marks did not describe the character or quality of the goods.

The court ruled in favour of the plaintiff, finding the defendant's marks "Prolyte Gluco-C ++" and "Prolyte Gluco-D ++" to infringe the plaintiff's registered marks "GLUCON-C" and "GLUCON-D" respectively. The defendant's attempt to claim protection under Section 30(2)(a) and Section 35 was rejected. While the trade dress of the defendant's product was not deceptively similar, the injunction was granted against the defendant's use of the infringing marks. The defendants were restrained from using the marks "Gluco-C" or "Gluco-D" in any form similar to the plaintiff's marks for identical or related products.

47. Delhi High Court Rules in FavoUr of Plaintiff in AMAZE Trademark Dispute

Case: Vijay Kumar Varshney Vs. Longlast Power Products Ltd. and Anr [CM(M)-IPD 1/2023]

Forum: High Court of Delhi

Judgement Dated: July 3, 2023

***Issues*:**

- Whether the Petitioner's applications seeking leave to introduce additional documents were rightly dismissed by the Commercial Court Judge on the grounds of non-disclosure and non-filing?
- Whether the Petitioner's reasons for the delayed submission of documents due to the Covid-19 pandemic were reasonable and justifiable?
- Whether the Commercial Court Judge's distinction between 'non-disclosure' and 'non-filing' of documents was correct in light of the relevant provisions of CPC?

***Judgment*:** The Petitioner and the Respondents were parties to a commercial dispute involving the unauthorised use of the trademark "AMAZE." The Petitioner sought permission to introduce additional documents in the trial court, which were initially not included with the plaint. The Commercial Court Judge dismissed the applications on the grounds of non-disclosure and non-filing. The Judge differentiated between 'non-disclosure' and 'non-filing' and emphasised the need for a reasonable cause for non-disclosure.

The High Court found that the distinction between 'non-disclosure' and 'non-filing' drawn by the Commercial Court Judge was erroneous. It highlighted the dual requirement under Order XI Rule 1 of the CPC, which mandates both disclosure and filing of documents along with the plaint. The Court noted that the Commercial Court Judge's distinction did not align with the provisions.

The High Court recognised the impact of the Covid-19 pandemic on court proceedings and emphasised a more lenient approach during such exceptional circumstances. It noted that the Commercial Court Judge erred in dismissing the Petitioner's reasons for the delayed submission of documents due to the pandemic.

The High Court also acknowledged that the Petitioner's reasons for submitting the additional documents in response to the Respondent's assertions were valid. It held that the documents were relevant in determining the issue of prior use between the parties.

The High Court, under its supervisory jurisdiction, set aside the Impugned Order and allowed the additional documents to be taken on record, subject to exceptions. It imposed a cost on the Petitioner for the delay and allowed the Respondent to submit additional documents if desired.

In conclusion, the High Court allowed the Petitioner's appeal, corrected the errors in the Impugned Order, and the present petition was allowed with the following directions:

- Impugned Order dated 02nd August 2022 is set aside.
- Additional documents forming the subject matter of Impugned Order are permitted to be taken on record, subject to the exceptions.
- Cost of INR 50,000/- was imposed on Petitioner, to be paid to Respondents within a period of one week from the date of release of this judgment.

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48. Modern Snacks vs. Modern Foods: High Court Restrains Defendant from Using "Modern"

Case: Modern Snacks Pvt. Ltd. vs Modern Foods Enterprises Pvt. Ltd. [I.A. 6478/2020 in CS (COMM) 299/2020 and I.A. 9542/2020 in CS (COMM) 460/2020]

Forum: High Court of Delhi

Judgment Dated: July 4, 2023

Issues:

- Whether the defendant's use of the mark "MODERN" infringes the plaintiff's trademark and copyright?
- Whether the goods of the plaintiff and the defendant are similar, cogent, and allied?
- Whether the plaintiff's claim of being the proprietor of the mark "MODERN" is valid?
- Whether the defendant's claim of being an honest and concurrent user of the mark "MODERN" is a valid defence?
- Whether the delay in filing the suit by the plaintiff prejudices the defendant's rights?

Judgment: The plaintiff asserted ownership of the mark based on its use since 1968 and its registration of various trademarks containing the word 'MODERN.' The defendant challenged the plaintiff's claim of prior use, arguing that the plaintiff only provided sales figures from April 2016 and lacked evidence of earlier use.

However, the plaintiff cited newspaper articles suggesting extensive use and a tremendous reputation for the mark 'MODERN' when the plaintiff was a public sector undertaking. The court found the defendant's argument unconvincing and believed that the plaintiff had provided sufficient documentary proof to support its claim of owning the 'MODERN' mark. The defendant's reliance on an application for a device mark with a different date was disproved, as the plaintiff asserts ownership of a word mark

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registered on October 11, 1985, and its use in various device marks since 1968.

The defendant argued that there is no likelihood of confusion between the goods because they are different. However, the court disagreed with this plea. The court believed that the plaintiff's and defendant's goods were general consumable food items in the same stores. They claim that these goods can easily be confused as an extension of each other and fall within the category of allied and cognate goods.

The court stated that the consumer who buys these goods from general Confectionary/Kirana shops would not pay much attention to the minor differences in packaging that the defendant's counsel highlighted. It was held that the consumer would be deceived into thinking that the defendant's goods are the plaintiff's, considering it a natural expansion of the plaintiff's product range. The court suggested that such a consumer will likely perceive a connection between the goods and their origin.

The court referred to Section 29(2) of the Act, which states that using an identical mark registered for similar goods, if likely to cause confusion or association with the registered trademark, amounts to infringement. Therefore, the plaintiff did not need to demonstrate that the defendant's goods are identical to theirs, only that they are similar.

The similarity of goods should be considered based on various parameters such as the supply chain, class of consumers, and general business model related to the goods. The court concluded that based on these parameters, the plaintiff's and defendant's goods could not be considered so dissimilar as to rule out the possibility of confusing ordinary, unwary consumers.

The defendant argued that the additional information on the label of the product was enough to prevent any confusion among consumers. However, the court disagreed with this argument. It stated that the main trademark used by both parties involved was 'MODERN,' and the goods in question would be traded under this trademark. The differences highlighted by the defendant were insignificant and inconsequential, and thus, they could not be considered enough to eliminate the possibility of confusion and deception among consumers.

In this case, the defendant claimed to be an honest concurrent user of the mark since 1990 and has obtained various registrations. The defendant argued that the plaintiff had known about their use of the mark since 2003 but had taken no action until the present suit. The court found that the defendant's initial sales were minor, and the plaintiff can be excused for not challenging the registrations earlier.

Mere registration of a mark does not prove its actual use, and the plaintiff was not obligated to take immediate action against every infringer. However, the court noted that the delay in filing the suit would impact the balance of convenience and irreparable harm when considering an interim injunction. The court determined that the plaintiff has a prima facie case in their favour but concludes that the balance of convenience favours the defendant, who has been using the mark since 1990 and has obtained registrations.

The court restrained the defendant from using the 'MODERN' mark for goods other than those sold at the time of the suit's filing. The defendant was required to disclose their product range and marks used, refrain from expanding the product line using the 'MODERN' mark during the suit, and provide a statement of sales turnover using the mark bi-annually. The court clarified that the observations made are preliminary and do not reflect the final findings on the case's merits.

The court ruled in favour of the plaintiff, finding that the plaintiff had made out a prima facie case in its favour. However, the balance of convenience favoured the defendant, who is likely to suffer grave irreparable injury if granted an ad interim injunction. The defendant shall be allowed to use the subject mark only on the labels used by the defendant on the date of the filing of the present suit and/or are registered in favour of the defendant with the subject mark. The defendant shall remain restrained from expanding its line of products using the impugned mark 'MODERN' in any form during the pendency of the present suit. The defendant shall also file a statement of the sales turnover of its products using the subject mark 'MODERN' on a bi-annual basis.

49. Court Denies Interim Relief to Bhaiya Ji

Forum: High Court of Delhi

Case: TV 18 Broadcast Limited vs Bennett Coleman and Company Limited CS(COMM) 279/2022

Judgment Dated: July 4, 2023

***Issues*:**

- Whether the plaintiff's mark "Bhaiyaji Kahin" registered under classes 38 and 41?
- Whether the mark "Bhaiyaji Kahin" has acquired distinctiveness on account of long user?

***Judgment*:** In this case, the plaintiff's mark ("Bhaiyaji Kahin") was registered under classes 38 and 41, with a disclaimer for the term "Bhaiyaji" in class 41 but not in class 38. Television programs, including news-related ones, fell under class 41, and class 38 excluded such programs. Therefore, the relevant class was class 41 for determining infringement, where the plaintiff's mark has a disclaimer.

The court found that the only similarity between the plaintiff's and defendant's marks was the term "Bhaiyaji." As the plaintiff's mark had a disclaimer in class 41, they cannot restrict the defendant from using the term. Additionally, the term "Bhaiyaji" was common in certain states of India and is of a non-distinctive character.

The plaintiff's reliance on previous registrations and judgments was deemed irrelevant, and the court dismissed their application for an interim injunction, as a prima facie case for infringement was not established.

The court also noted that the formats of the television shows of both parties are different, and there is no likelihood of confusion between the two shows. The court listed the case before the Joint Registrar on 16th August 2023. The observations were made for the purpose of adjudication and did not impact the outcome of the suit.

50. Jurisdictional Dilemma: The Hershey Company's Cancellation Petition Against 'HARSHY' Trademark

Case: Hershey Company vs Dilip Kumar Bacha, Trading as Shree Ganesh Namkeen and Another [C.O. (COMM. IPD-TM) 179/2023 and I.A. 11901/2023]

Forum: High Court of Delhi

Judgment Dated: July 5, 2023

***Issues*:**

- Whether the cancellation petition filed by The Hershey Company under Section 57 of the Trademarks Act, 1999, seeking cancellation of the registered trademark 'HARSHY' is maintainable before the present Court or if it should be filed before the High Court within whose jurisdiction the appropriate office of the Trademarks Registry for the subject mark is located (in this case, the Bombay High Court)?
- Whether the expression 'High Court' under Section 2(1)(i) of the Patents Act, 1970, can be interpreted in a manner similar to the Trademarks Act, 1999, to determine the appropriate High Court for the cancellation petition?

***Judgment*:** This case involves a cancellation petition filed by The Hershey Company against Dilip Kumar Bacha, trading as Shree Ganesh Namkeen, seeking cancellation of the registered trademark 'HARSHY.'

The petition was filed under Section 57 of the Trademarks Act, 1999. The trademark in question, TM Application no. 3897902, was registered on 25th July 2018 by Shri Dilip Kumar Bacha.

The court raised a query regarding the maintainability of the cancellation petition, as the appropriate office of the Trademarks Registry for the subject mark is in Mumbai. However, the petitioner drew a parallel with the Patents Act and sought reliance on a previous court decision to argue that the Bombay High Court should be the jurisdiction for this cancellation petition.

The court decided to permit the petitioner to make submissions on this jurisdictional issue and allowed them to file a written note of arguments and relevant provisions of law. The court directed the registry to serve the notice of the petition to the respondent through all available modes, including email, and to the respondent's trademark agent.

51. Affidavits Not Only Evidence in Trademark Applications

Case: Kamdhenu Ltd. vs Registrar of Trademarks [C.A.(COMM.IPD-TM) 66/2021]

Forum: High Court of Delhi

Judgment Dated: July 6, 2023

Issues:

- Whether the impugned order passed by the Registrar of Trademarks, New Delhi, under Rule 124 of the Trademark Rules, 2017, was valid and justified?
- Whether the Application bearing no. 'TM-M 764900' filed by the Appellant, seeking inclusion of the trademark 'KAMDHENU' in the List of Well-Known Trademarks, was wrongfully rejected by the Registrar?
- What is the nature and scope of the evidence and documents required to be filed by an Applicant under Section 11 of the Trademarks Act, 1999, read with Rule 124 of the Trademark Rules, 2017, for determining a well-known trademark?

Judgment: The court discussed the nature of evidence and documents required for determining a well-known trademark under Section 11 of the 1999 Act read with Rule 124 of the 2017 Rules. The evidence presented should establish contemporaneous and continuous use, reputation, and goodwill of the trademark. The suggested documentary evidence includes invoices showing the widespread use of the mark, promotional and advertising materials, participation in exhibitions and trade fairs, market surveys, consumer recognition, distribution networks, e-commerce exposure, awards or recognition, and financial documents such as balance sheets and chartered accountant certificates.

The court clarified that Rule 124 of the 2017 Rules refers to "evidence and documents," which can include affidavits and other documents. However, it stated that an affidavit is not mandatory as long as sufficient evidence is provided. Evidence can be in the form of oral testimony or documentary evidence, as defined in Section 3 of the Evidence Act, which includes both types. The Registrar's determination would require documentary evidence, and relying solely on affidavits without supporting documents may not be enough to establish the well-known status of the mark.

Furthermore, the court highlighted that while some facts may require an affidavit, there is no strict requirement for its submission. The authenticity and verifiability of certain documents may not necessitate an affidavit. However, if the Registrar deems it necessary, the applicant may be allowed to file an affidavit to support specific documents.

Hence, an affidavit is not mandatory for establishing a well-known trademark status. Documentary evidence is essential, but the Registrar may request an affidavit if deemed necessary. Non-compliance with the affidavit requirement will not automatically result in the rejection of the application, as it can be seen as an additional requirement to support the case. Applicants can submit an affidavit and the relevant documents if they choose to do so.

In this case, the Appellant has provided supporting documents and court orders to establish the well-known status of its trademark. The court found that if the Trademark Registry believed an affidavit was necessary, they should have allowed the Appellant to submit one without requiring them to go through the entire application process again. The failure to file an affidavit should not have led to the dismissal of the application. As a result, the court grants the Appellant the chance to file a supporting affidavit and any additional documents within 8 weeks. The Registrar of Trademarks will then review these documents and provide a hearing to the Appellant before deciding based on the law. All other remedies remain available to the parties involved. The appeal is allowed and concluded according to the terms outlined above.

52. Delhi High Court Issues Permanent Injunction Restraining Defendant's Use of "OFFICER'S CHOICE" Mark

Case: Allied Blenders and Distillers Pvt. Ltd. vs Ashok Kumar conducting activities through webpage [CS (COMM) 103/2022 & I.A.2452/2022]

Forum: High Court of Delhi

Judgment Dated: July 13, 2023

Issue:

- Whether a page on Facebook containing obscene, vulgar and derogatory posts and had an image/name as "Officer's Choice" with a social media handle as "@officerchoicel. Wine/Spirits" exploitatory of the plaintiff's well-known trademark?

Judgment: The plaintiff, Allied Blenders, has registered for "Officer's Choice" since 1988, which was also declared as a "well-known trademark" in 2017. The plaintiff came across a page on Facebook which contained obscene, vulgar and derogatory posts and had an image/name as "Officer's Choice" with a social media handle as "@officerchoicel. Wine/Spirits". The defendant was John Doe, whose identity remained unknown.

The Court reviewed the Facebook page and concurred that the plaintiff had established a *prima facie* case in its favour for the grant of *ex-parte* ad interim injunction. The Court directed the defendant to take down his Facebook page, and the Grievance Officer of Facebook was also directed to immediately take down the Facebook page and furnish details about the defendant.

Despite the issuance of summons, the defendant furnished no reply, nor did he enter an appearance. Facebook enforced the order and removed the reference to Officer's Choice product from the impugned Facebook page.

The Court proceeded to adjudicate the injunction application based on set judicial precedents and it was noted that "OFFICER'S CHOICE" was held to be a well-known trademark by Single Judge bench of Delhi High Court in the year 2017. The Court took into account several suits initiated by the plaintiff in the past to enforce their rights in OFFICER'S CHOICE. The plaintiff had obtained several interim orders injuncting third parties from using marks identical/deceptively similar to 'Officer's Choice', 'Officer's Choice Blue' and its variants, including marks which contained the word 'Choice' even without the word 'Officer' which pointed to the fact that the trademark 'Officer's Choice' possesses certain strength in the market and that even use of the word 'Choice' has the potential to cause confusion.

The Court passed a decree of permanent injunction restraining the defendant from using the mark "OFFICER'S CHOICE" label, logos, etc. and/or not marking any reference to the Plaintiff's product on any social media platform.

This order succinctly studied the progression and journey of the arbitrary mark gaining strength from its early adoptive stage to be eventually declared as a well-known trademark basis its well-rounded branding strategy, which included continuous and extensive use, extensive promotion and advertisement, high-quality products, consumer preference and earned goodwill in the market. No party can be allowed to exploit the goodwill and reputation gained by the brand owner via its efforts to make illegal gains or worse, which could tarnish the image of the well-established brand in the market.

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53. Infringing Trademark and Websites Simply Not Cricket

Case: Sporta Technologies Pvt. Ltd. & Anr. vs Unfading OPC Private Limited [CS (COMM) 202/2022 and I.A. 5072/2022]

Forum: High Court of Delhi

Judgment Dated: July 14, 2023

***Issues*:**

- Whether the Defendant's domain name, www.sattadream11.com, which includes the mark 'Dream11', infringe upon the Plaintiff's registered trademark, 'Dream11'?
- Whether the Defendant's use of a similar domain name and offering identical or similar services creates a likelihood of confusion among consumers, leading to trademark infringement and passing off?
- Whether the Defendant's actions have tarnished the reputation and image of the Plaintiffs by associating them with unlawful activities, and whether such association justifies the grant of an injunction?

***Judgment*:** Sporta Technologies (referred to as Plaintiff No. 1) stands as a private limited company. Dream Sporta Inc. (referred to as Plaintiff No. 2) is a company incorporated in the USA, with Plaintiff No.1 serving as its wholly owned subsidiary. The plaintiffs jointly form a prominent fantasy sports platform, originating back to 2012 and hold the title of the official fantasy sports partner for esteemed entities such as the International Council of Cricket (ICC), the Campeonato Nacional de Liga de Premiera Division ('La Liga'), Vivo Indian among others.

Additionally, it is pertinent to note that Plaintiff No. 2 is the registered proprietor for the trademark 'Dream 11' in several classes in India and registered the domain www.dream11.com on March 17th, 2008. Plaintiff No. 1 holds a registration under various classes for the marks '

’, ‘’, 3660717, 3660851, , .

The Plaintiffs assert signing a four–year Central Sponsorship contract with BCCI from IPL 2019, including prompting Dream11 during IPL 2020 in the UAE with ads on player jerseys, stadium, and TV broadcasts. They facilitated the IPL Season-long Fantasy Sport and showcased Dream11 via ads during live game breaks in the 2019, 2020, and 2021 IPL seasons.

The Plaintiffs cited several orders issued by the court where Sporta Technologies had been granted orders of protection in similar cases. They determined that the claims of infringement and passing off were supported.

The main issue to be considered by the Delhi High Court was whether Unfading’s use of the domain name “www.sattadream11.com” and a similar logo led to trademark infringement and passing off.

Turning our attention to the subject at hand, it’s important to delve into the Defendant’s website, www.sattadream11.com. This site has essentially taken/ copied the Plaintiff's registered trademark "DREAM11". Upon closer inspection of Defendant’s web presence, it becomes clear that they are providing gaming services that resemble Plaintiff's offerings. What's noteworthy is that they are doing so under the name 'sattadream11', a name that closely mirrors the Plaintiff's trademark. The services they offer, such as fantasy cricket games, come with a payment mechanism that is similar to those of the Plaintiffs. Additionally, users can conveniently create accounts on the 'sattadream11' platform. Furthermore, Defendant has actively promoted their services on popular social media platforms.

The contested domain name is viewed as a deliberate attempt to capitalise on the reputation of the Plaintiff's Dream11 mark. Both 'Dream11' and 'sattadream11' are remarkably similar, and confusion between the two marks is highly likely. This becomes especially pronounced on the internet, where the subtleties of such domain names can easily be overlooked. The nature of the internet also fosters assumptions of affiliation between similarsounding website names. Thus, using similar domain names for identical services leads to the passing off of one service as associated with the other.

The court has ruled in favour of Sporta Technologies, solidifying the ex parte ad-interim injunction by issuing a permanent injunction restraining Unfading from using the mark 'Satta Dream 11' or any deceptively similar. Additionally, the court directed GoDaddy.com LLC to transfer the domain name www.sattadream11.com to Sporta Technologies. Further, the court observed that unfading was served through email, speed post and electronic means but failed to respond despite multiple attempts. Subsequently, through an order dated May 22nd, 2023, the joint Registrar observed that the Defendant had not filed a written statement, resulting in the closure of the right to file one. As a result, the interim injunction issued on April 1st, 2022, was made absolute.

In conclusion, this case highlights the complexities surrounding trademark infringement and the challenges of maintaining distinct online identities in the digital age. It serves as a testament to the legal measures taken to protect intellectual property and maintain fair competition in the market.

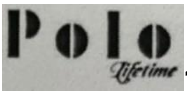
54. Polo/Ralph Lauren Fails to Establish Prima Facie Infringement

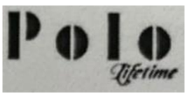
Case: The Polo/ Lauren Company LP vs M/s. Home Needs [CS (COMM) NO. 1722/20]

Forum: Tis Hazari Court of Delhi

Judgment Dated: July 14, 2023

Issue:

- Whether the defendant's impugned mark POLO LIFETIME (Label) and the mark "POLO LIFETIME" (word) infringed upon the plaintiff's marks "**POLO LIFETIME**",  and ?

Judgment: The Plaintiff sought an interim injunction restraining the Defendant from *inter alia* exporting, manufacturing, advertising, selling, etc., its products under the trademarks/labels "**POLO LIFETIME**",  and  (the "impugned marks"). The Plaintiff asserted that it was engaged in its celebrated and world-renowned business of manufacture, distribution, trade and sale of a wide range of clothing, fashion and lifestyle products, including spans fashion wear, sportswear, eyewear, luggage, bags and luxurious home decor including bedding, towels, area rugs, wall covering, tabletop and table covering and other allied and related goods, and was also offering services in this connection.

It was further stated that the Plaintiff had adopted the trademark "POLO" in the year 1967 and was subsequently using the "POLO" formative marks including word marks and various stylised representations in conjunction with other marks/words and device of a polo player in relations to its goods and services. A few examples of the famous POLO marks of the Plaintiff were , and . Further, the artistic works in these marks of the Plaintiff were asserted to be original artistic works under the scope of the Copyright Act, 1957. The Plaintiff also relied upon and asserted its trademark registrations for its POLO formative marks in class 25.

It was also stated that the Plaintiff's trademark was held to be "well-known" by the High Court of Delhi in the cases of *The Polo Lauren Company L.P. vs Rohit S. Bajaj in CS (OS) No. 1763/2005 and The Polo/Lauren Company L.P vs Europa Bevcorp & Ors. Dated 19.10.2022 in CS (Comm) No. 730 of 2022*. The Plaintiff further stated that it entered the Indian market through a license agreement through Aditya Birla Fashions and Retail Ltd. and launched its first store in Delhi (in September 2018).

The Defendant was engaged in manufacturing a range of household products, kitchen utensils, and other allied/related products using the impugned marks/labels, which were alleged to be violative of the Plaintiff's statutory and common law rights over its "POLO" formative marks. The Defendant was also found to be operating its website http://homeneedsindia.net/ and several social media platforms through which it was advertising the impugned goods and offering them for sale.

The Plaintiff further informed that in the last week of October 2020, the Plaintiff came across the impugned mark POLO LIFETIME (Label) bearing Application Number 3836918 and the mark "POLO LIFETIME" (word) bearing Application Number 3836919, in Class 21, in the name of the Defendant. The Plaintiff had accordingly initiated opposition proceedings against the said applications.

The Plaintiff had also initiated cancellation proceedings against the registration of the impugned trademark POLO LIFETIME (Label) under No. 2105994 in Class 21 in the name of the Defendant, after first learning about this registration in the last week of October 2020 itself. However, the said proceedings were pending at the time of the pronouncement of the

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present judgment. It was also alleged that the Defendant had adopted and started using the impugned mark dishonestly, fraudulently and out of positive greed with a view to take advantage of the Plaintiff's well-established goodwill, reputation and proprietary rights in the POLO formative marks.

The Defendant in its written statement and reply took the defence that the Plaintiff's mark was not registered in class 21 which covered the goods in which it was engaged, and that the Plaintiff only had registration for its "POLO" marks in class 25, which was not conflicting in nature. Further, the word mark "POLO" was not registered by the Plaintiff in India and the label marks registered by the Plaintiff were dissimilar to the 'POLO LIFETIME' (marks/labels) used by the Defendant.

The Defendant also stated that the Plaintiff had failed to establish its sales under/use of the "POLO" formative marks in India before the adoption and use of the POLO LIFETIME marks/labels of the Defendant. It was further argued that more than a hundred people in India used the trademark POLO. The Plaintiff's trademark was declared well-known by the Delhi High Court after the Plaintiff started using the trademark, and thus, that judgement did not apply to the present case. Both the parties, respectively, relied upon various landmark judgements in support of their case.

The court held and observed with regard to the issue of passing off that in most of Plaintiff's trademarks, besides the word element POLO, the name "Ralph Lauren" was also used beside a device of a polo player on a horse. At the same time, Defendant used the mark/label 'POLO LIFETIME' where, except for the word POLO, there was no similarity between Plaintiff's trademark and Defendant's trademark. Further, it was held that the lines of businesses, goods and services of both parties were significantly different.

Moreover, the Plaintiff had failed to show, substantiate, and assert as to when it started its business in India. However, through the documents filed by the Plaintiff, it was noted that it entered into an agreement in 2018 with Aditya Birla Group to enter the Indian market. At the same time, the Defendant was found to be selling goods with the trademark POLO since 2005 in India, as per the documentary evidence (invoices) filed by it. The commencement of use of the impugned mark(s) by the Defendant was thus observed to be before 2018. The court, in this case, did not find the Plaintiff to be able to establish the balance of convenience in its favour or a *prima facie* case against the Defendant as it failed to show prior use of its marks in India and that irreparable injury or loss would be caused to the Plaintiff.

The court noted that such loss, injury or inconvenience, if any, would rather be caused to the Defendant as an injunction at this stage would amount to shutting down of its business despite the fact that Defendant was the registered owner of the trademark/label 'POLO LIFETIME' and the said registration had still not been cancelled. Further, it was held that the Defendant's mark had a predominant suffix LIFETIME.

In contrast, Plaintiff's marks had suffixes/prefixes including 'Ralph Lauren' & picture of a polo player, resulting in distinguishable trademarks. Thus, the court vacated the *ex-parte* interim injunction that was earlier granted to Plaintiff on November 26, 2020, by another judge. It was held that the Plaintiff had *prima facie* failed to establish that the Defendant was infringing the Plaintiff's trademark or passing off its goods as the goods of the Plaintiff.

55. VIP Fails to Establish Spillover of Transborder Reputation in India

Case: Carlton Shoes Ltd. & Anr. vs VIP Industries Ltd. [I.A. 18443/2019 in CS(COMM) 730/2019 and I.A. 1369/2020 in CS(COMM) 52/2020]

Forum: High Court of Delhi

Judgment Dated: July 17, 2023

***Issues*:**

- Whether VIP has demonstrated the presence of its mark within Indian boundaries before Carlton's presence?
- Whether VIP has made a prima facie case for passing off against Carlton?

***Judgment*:** This judgment contains two applications filed by the parties, i.e., I.A. 18443/2019 in CS(COMM) 730/2019 and I.A. 1369/2020 in CS(COMM) 52/2020, seeking interim injunction under Order 39 Rules 1 and 2 of the Civil Procedure Code (CPC). These applications are intended to seek temporary relief while the main suits are pending.

Both applications share similar facts and involve common questions of law, making them closely related. Due to this interconnected nature, both applications were heard together, and the court decided to provide a single common judgment to dispose of them. However, if there are any specific differences in the facts between the two suits, the judgment will address them separately later.

In CS(COMM) 730/2019, Carlton Shoes Limited and Carlton Overseas Private Limited (collectively referred to as 'Carlton') filed an application seeking a permanent injunction against VIP and others on its behalf. Carlton accuses VIP of infringing on their registered trademarks, including CARLTON, CARLTON LONDON, and other similar marks leading to passing off.

Carlton Shoes Ltd. is a UK-based company, while Carlton Overseas Pvt. Ltd. is an affiliate company incorporated under Indian laws with its registered office in Delhi. Carlton is renowned for designing and manufacturing shoes and fashion accessories, such as bags, belts, jewellery, perfumes, and watches, under the brand name CARLTON LONDON.

Over the years, Carlton has grown its business and brand reputation globally. They have registered the trademark CARLTON in various classes in India and internationally, securing their intellectual property rights. Carlton has an extensive presence with retail outlets, shop-in-shop stores, and sales through multi-brand retail stores and online platforms.

The dispute between Carlton and VIP arose when VIP sent a cease-and-desist notice to Carlton, alleging trademark infringement of VIP's trademark CARLTON in relation to class 18 goods. Carlton responded with evidence of their prior rights to the mark CARLTON dating back to 1994. Carlton later discovered that VIP acquired a dormant company, Carlton International PLC, UK, and asserted rights over the mark CARLTON based on this acquisition without actual use of the mark before the acquisition. Carlton initiated a cancellation action against VIP's registration of the mark CARLTON.

In response to Carlton's suit, VIP filed (CS(COMM) 52/2020) accusing Carlton of infringement and passing off. The court did not grant an ex parte ad-interim injunction to Carlton, considering VIP's existing registration for the same mark in the same class for several years. However, the court directed that VIP would not claim any rights in case they expand into any other sector of business. Carlton seeks legal protection for their valuable trademarks, while VIP contests the allegations and claims its own rights over the mark CARLTON.

CS(COMM) 52/2020 is filed by VIP Industries, a prominent company seeking a permanent injunction against Carlton from manufacturing, selling, distributing, or dealing with goods falling under class 18, such as travel bags, luggage, trolleys, suitcases, duffel bags, laptop bags, wallets, etc. These goods are being sold under the trademark 'CARLTON LONDON' and its related marks. VIP claims that these marks are identical or deceptively similar to their own registered trademark, 'CARLTON,' and its related marks, which amounts to trademark infringement and passing off, among other claims.

VIP Industries asserts itself as a market leader in its segment, manufacturing various products under renowned brands, including VIP, CARLTON, Caprese, Aristocrat, Skybags, and Alfa. VIP traces its first use of the CARLTON trademark back to 1980 through an assignment of intellectual property rights from its predecessor. In 2004, VIP acquired the CARLTON marks and goodwill from Carlton International PLC.

According to VIP, the CARLTON marks have been registered in various jurisdictions, including India, in different classes, with the earliest trademark application for the CARLTON mark in class 18 filed by VIP's predecessor in the UK on 19.05.1988, and in India on 26.07.1995, which has been registered.

VIP claims to have a substantial reputation and goodwill built over decades of extensive sales and promotion efforts for products under the CARLTON brand. It cites figures to show increasing sales and popularity, including export sales to the UK and other countries.

The disputes between VIP and Carlton emerged in October 2019 when VIP learned that Carlton was using the CARLTON trademark for handbags and was expanding its business into manufacturing, marketing, distributing, and selling goods in class 18. VIP issued a cease and desist notice to Carlton, claiming prior rights to the CARLTON marks. Carlton responded with a detailed reply, asserting proprietary rights in the trademark CARLTON LONDON and its variants.

The Court found that the rival marks are phonetically, structurally and visually similar, and both VIP and Carlton have registrations for their respective trademarks in bags and allied goods under class 18. Regarding the claims of infringement, the Court referred to the provisions of Section 28 (3) of the Trade Marks Act, 1999, according to which where two or more persons are registered proprietors of trademarks that are identical to or nearly resemble each other and in such an eventuality, the exclusive right to use these trademarks shall not be deemed to have been acquired by one of those persons against each other, merely on account of registration, subject to a caveat that the trademarks are registered for similar goods. In this scenario, neither of the two can sue each other for infringement. Hence, this position was settled.

With respect to the claims of passing off and spillover of the trans-border reputation, the Court commented that the action for passing off is premised on the rights of a prior user generating goodwill, the essence and ethos of passing off being that nobody has a right to represent his goods as those of somebody and encash on the prior user's formidable goodwill and reputation. The Court pointed out that in order to succeed in the claim for passing off, both VIP and Carlton, in their respective rights, would have to establish their existence through their marks in India, and their goodwill and reputation abroad alone would not suffice, applying the territoriality principle.

Assessing the evidentiary documents filed by VIP, the Court opined that its documents shed no light on whether the purported promotion material was extensively and widely published and/or circulated in India and whether customers here had seen and read them such that the goodwill and reputation of VIP's predecessor percolated and spilt into India, since universal or worldwide goodwill and reputation, without any evidence of territorial goodwill and reputation, is no longer the yardstick. In this light, it was found by the Court that none of the promotional material or articles placed on record by VIP even obliquely reflect its predecessor's existence in the Indian market till 2004.

Some documents, purported advertisements/price lists, reflect their origin dating back to the 1980s and 1990s, but there was no supporting material to show their awareness amongst customers in India. The court pointed out that in this era, knowledge and awareness of brands was mostly through the travel of people offshores or through electronic/print media as the online exposure was limited the Court in this context, the Court found that no documents there would evidence of sales in India by VIP's predecessor, in the form of invoices, bills, delivery documents, photographs of stores displaying the products, etc. under the trademark CARLTON.

Assessing the evidence of Carlton on the same benchmark, the Court found that Carlton is 'first in the Indian market' with respect to bags and allied goods falling under class 18 sold under the trademark CARLTON, noting that the territoriality principle has overtaken the universality doctrine. In the

Indian market, prima facie, Carlton has made out a case of prior user and enviable exposure of bags under the mark CARLTON.

The Court, therefore, concluded that VIP had failed to establish spillover of transborder reputation in India and/or prior users while Carlton is first in the Indian market and has shown formidable goodwill and reputation under the trademark CARLTON and its formative marks; consequently, the injunction was granted against VIP and VIP's suit was dismissed.

56. Battle of Zeniths: Extent of Estoppel in an Infringement Suit against a Cited Mark

Case: Zenith Dance Institute Pvt. Ltd. vs Zenith Dancing and Music [CS(COMM) 36/2021 & I.A. 3851/2022]

Forum: High Court of Delhi

Judgment Dated: July 18, 2023

Issue:

- Whether the Defendant's registration for its mark infringes upon the plaintiff's marks and ZENITH ARTS?

Judgment:

On January 22, 2021, the Court had already passed an *ex-parte ad interim* order, restraining the Defendant from using the mark ZENITH or any such deceptively similar mark for its goods or services thereafter which, the Defendant filed for vacation of the said interlocutory order.

The Plaintiff, at the outset, laid out that the proprietor, having a passion for dance, had opened the Plaintiff dance institute in 1997. Thereafter, registration for the marks and ZENITH ARTS were obtained on June 07, 2007, and April 25, 2004, both claiming use from April 01, 1997. Since then, the Plaintiff has been engaged in providing education in relation to various forms of dance. In May 2014, however, Plaintiff came across Defendant's registration for its mark in Class 41 in relation to music and dance institutes. Post the Plaintiff applying to the Intellectual Property Appellate Board ("IPAB") for rectification of the Register by removal of this mark under Section 57 of the TM Act, the Defendant's mark was removed from the Register. However, despite this, the Defendant continued to run four dance studios in Delhi, under the variant marks and . In light of this, the Plaintiff contended that since the prominent element of these marks remained to be "ZENITH" and that as the logo from the removed mark was still being used in these iterations, the Defendant was still infringing the Plaintiff's registered trademarks by running dance institutes under these marks.

In its defence, the Defendant firstly argued that the Plaintiff was *ipso facto* disentitled to any equitable injunctive relief, as it had come to the Court with unclean hands, for it had not revealed how the Defendant's mark had been one of the cited marks in the FER issued against the Plaintiff's then application for its mark ZENITH ARTS and how the Plaintiff had argued that its mark was different visually and identically from the cited marks. Therefore, the Defendant contended that the Plaintiff could not be allowed to take up the contradictory stance of the Defendant's mark being deceptively similar to its mark just for the sake of these infringement proceedings.

With regards to the issue of whether the Plaintiff could be estopped from instituting an infringement suit based on Defendant's marks being deceptively similar to its registered marks now, when it had taken a contradictory stance in its response against the FER issued against its mark ZENITH ARTS, the Hon'ble Court held that the enunciation of law as laid out in the case *Raman Kwatra v. K.E.I. Industries Ltd.* would apply *mutatis mutandis* to the facts of the present case.

The law laid therein was that "if the impugned mark of the Defendant had been cited against the mark asserted in the plaint, at the time when the Plaintiff had applied for registration thereof, and the Plaintiff, in order to obtain registration, had pleaded that the two marks were not so similar as to result in likelihood of confusion or deception, then the Plaintiff could not, in infringement proceedings, seek to injunct the very same cited mark of the Defendant by pleading that it *was* confusingly or deceptively similar to the Plaintiff's mark".

Furthermore, the Court also relied on the principle of "approbate and reprobate", as provided in the judgement *Karam Kapahi* v. *Lal Chand Public Charitable Trust*¸ which simply means that no party can accept and reject the same instrument. Therefore, in light of the above, the Court rejected the plea of confusing or deceptive similarity between the Defendant’s mark and Plaintiff’s mark ZENITH ARTS.

The Hon’ble Court then came to the important question of the extent to which the aforesaid estoppel would apply. It held that as per the principles enunciated in the *Raman Kawatra* case, the estoppel against the Plaintiff would apply only to the extent of the right of the Plaintiff to assert that the Defendant's mark was confusingly or deceptively similar, or infringed, the Plaintiff's registered mark ZENITH ARTS, but not beyond that. In the case *K. R. Chinna Krishna Chettiar* v. *Sri. Ambal & Co.*, the Supreme Court had held that the words “Ambal” and “Andal” are phonetically strikingly similar. The Sri. Andal mark would be regarded as deceptively similar to the Sri. Ambal mark, resulting in the likelihood of confusion if both marks were allowed to be registered, though visually, the two marks were completely dissimilar. Relying on this, with regard to the Defendant’s other two marks and , the Court held that as the word “Zenith” was the distinctive feature of both the Plaintiff's and the Defendant's marks and as both were being used for providing education in dance, confusion in the mind of a customer of average intelligence and imperfect recollection was bound to happen. Furthermore, the Court opined that since the Defendant had continued to use the /ZD logo which was a prominent feature of the invalidated device mark in its two later marks, it had exposed its later device marks/logos to vulnerability on the ground of infringement.

Lastly, the Court rejected the Defendant’s plea that “Zenith” was *publici juris*, and a common English expression, over which the Plaintiff could not claim a monopoly, and held that it could not be regarded as *publici juris* or as descriptive of the particular services of dance education provided under it.

The Hon’ble Court, therefore, ruled in favour of the Plaintiff, holding that the Plaintiff was entitled to interlocutory injunction as sought, as the Defendant's marks infringed the registered marks of the Plaintiff within the meaning of Section 29(2)(b) of the Trade Marks Act, and the *ad interim* injunction passed previously by this Court was made absolute.

Thus, we can see that the Hon’ble Court, in the present case, kept in mind the principle of estoppel *in pais*, or equitable estoppel, i.e., a “rule of equity, by which a person may be precluded, by way of his actions, or conduct, or silence when he has to speak, from asserting a right which he would have otherwise had”, by not only disallowing the Plaintiff from executing a *volte-face* by bringing an infringement action against the very same mark of the Defendant, it had priorly submitted not being deceptively similar with; but also by making sure to emphasise that a principle of estoppel has to be restricted to its legitimate boundaries, that thus, the Plaintiff cannot be estopped from claiming deceptive similarity with any other marks of the Defendant.

57. Interim Injunction Denied to Vasundhra against Vasundhara

Case: Vasundhra Jewellers Pvt. Ltd. vs M/S Vasundhara Fashion Jewellery [CS(COMM) 161/2022, I.A. 12076/2022 (seeking leave to file surrejoinder), I.A. 12737/2022 (O-XI R-10 of CPC), I.A. 15262/2022 (O-XI R-1(1)(c)(ii) for filing additional Documents)]

Forum: High Court of Delhi

Judgment Dated: July 19, 2023

***Issues*:**

- Whether the decree of permanent injunction on the basis of infringement and passing off can be granted, or not?
- Whether the plaintiff is a prior user of the mark 'VASUNDHRA' and has established exclusivity through extensive use?
- Whether the plaintiff's mark 'VASUNDHRA' and the defendant no.1's mark 'VASUNDHARA' are deceptively similar and likely to cause confusion among consumers?
- Whether the plaintiff can claim exclusive rights over the mark 'VASUNDHRA' considering it is a common word and has been used by other registered trademarks?

***Judgment*:**

The Plaintiff's Company, established in 1999 as "VASUNDHRA JEWELLERS PRIVATE LIMITED," has been using the names "VASUNDHRA" and "VASUNDHRA JEWELLERS" continuously for their jewellery business. They hold trademarks and domain names related to their brand and have a significant online and social media presence.

The Plaintiff claims that due to their prior adoption, registration, continuous use, and extensive promotion of the "VASUNDHRA" marks, consumers exclusively associate these marks with their business. However, in June 2019, they discovered that the Defendant No.1, M/s Vasundhara Fashion Jewellery LLP, was also using the "VASUNDHARA" marks for identical goods and services, including selling jewellery and precious stones on their website and social media accounts.

In January 2022, the Plaintiff issued a cease-and-desist notice to Defendant No.1, but the latter claimed to have been using the "VASUNDHARA" marks since 2001. As a result, the Plaintiff filed a lawsuit seeking a permanent injunction for infringement and passing off, along with other related reliefs.

In the written statement, Defendant No.1 argued that they are engaged in the business of designing high-quality jewellery with ethically sourced materials and obtained registrations and copyright for the "VASUNDHARA" mark in 2001. They stated that Ms. Vasundhara Mantri, with a 99.09% shareholding in the defendant LLP, started her business with the name "VASUNDHARA" in 2001. The defendant also claimed to have taken over all assets, liabilities, and intellectual property rights from Ms. Mantri, including the "VASUNDHARA" mark.

Defendant No.1 presented CA certificates indicating their sales figures and advertising expenses related to the "VASUNDHRA" mark from 2001 to 2020. They argued that the Plaintiff had not provided sufficient evidence to prove their use of the mark from their claimed incorporation date, and the Plaintiff's mark was not identical or deceptively similar to theirs, thus seeking dismissal of the Plaintiff's claims based on waiver, estoppel, and acquiescence.

Plaintiff claimed exclusive rights to the "VASUNDHARA" marks and sought to stop Defendant No.1's use, while Defendant No.1 contended that they had valid rights to the "VASUNDHARA" mark and requested the dismissal of the Plaintiff's claims.

The court stated that these marks are phonetically identical. As per Section 28(3) read with Section 30(2)(e) of the Act, an action for infringement may not be maintainable since both parties have identical registered marks.

However, the plaintiff had also filed a case for passing off, and the court will consider this claim at the stage of granting an interim injunction. The essential elements for constituting passing off have been outlined in the case of **Cadila Health Care Ltd v. Cadila Pharmaceuticals Ltd.**

Ms. Vasundhara Mantri had been using the trading name 'Vasundhara' since 2001, and she obtained multiple registrations and copyrights for the mark. She launched her website in 2007. On 14th February 2014, she incorporated

'Vasundhara Creative Jewellery Private Limited,' which later became 'Vasundhara Fashion Jewellery Private Limited' and was converted into an LLP, i.e., defendant no.1. She holds a significant share of 99.09% in defendant no.1.

All assets, liabilities, and intellectual property rights of Ms. Vasundhara Mantri were transferred to defendant no.1 through takeover and assignment agreements. The defendant no.1 is considered an extension of Ms. Vasundhara Mantri.

In the past, the plaintiff had sought injunctions against others using the mark 'VASUNDHRA', claiming exclusive rights over it, but the courts ruled that the mark is generic and weak, and exclusive rights cannot be granted solely based on registration of composite marks.

The court found that the marks 'VASUNDHRA' and 'VASUNDHARA' have differences in spelling and writing style, and they do not create confusion in the minds of consumers when compared as a whole. The plaintiff's own reply to the Trademark Registry had stated that there was no similarity between the marks.

Hence, the court dismissed the application for an interim injunction, as the plaintiff failed to establish a prima facie case for passing off. The defendant no.1 had been using the mark 'VASUNDHARA' since 2001, and the balance of convenience was against granting an injunction. The observations made in this ruling are for the purpose of this application and will not impact the final outcome of the case.

58. The Appellate Jurisdiction of the High Court against the decision of the Administrative Panel of WIPO

Case: Ashwa Ghosh vs Vizrt Ag And Others [FAO-IPD 5/2023 & CM 84/2023, CM 85/2023]

Forum: High Court of Delhi

Judgment Dated: July 19, 2023

Issue:

- Whether an appeal under Section 91 of the Act maintainable against the domain name decision of the administrative panel of the World Intellectual Property Organization (WIPO)?

Judgment:

An appeal was preferred by the appellant invoking Section 91 of the Act against a domain name decision of the administrative panel of the World Intellectual Property Organization (WIPO) before the Hon'ble Delhi High Court. The preliminary issue that arose before the Hon'ble High Court was whether an appeal under Section 91 of the Act was maintainable against the domain name decision of the administrative panel of the World Intellectual Property Organization (WIPO). The Hon'ble High Court opined that Section 91 of the Act provides for an appeal against the order/decision of the "Registrar" to the High Court within three months from the date on which such order/decision is communicated to such person preferring the appeal.

In furtherance of the above, the next issue that arose in front of the Hon'ble High Court was whether the administrative panel of the World Intellectual Property Organization (WIPO) falls under the definition of "Registrar" under section 2(y) of the Act which states the Registrar of Trade Marks as referred to in Section 3 of the Act.

It is pertinent to note that Section 3 of the Act states the appointment of Registrar as a specific officer appointed by the Central Government of India by notification in the Official Gazette as the Controller-General of Patents, Designs and Trade Marks (CGPDTM), who shall be the "Registrar" of the

Trade Marks for the purposes of the Act. On the other hand, as per the Uniform Domain Name Dispute Resolution Policy (UDRP), an administrative panel is appointed to decide upon a domain name complaint.

Thus, the Hon'ble High Court, in its order dated 19th July 2023, held that the impugned order/domain name decision passed by the administrative panel of the World Intellectual Property Organization (WIPO) in the present case cannot be considered to be passed by the "Registrar" of Trade Marks under the Act, as the administrative panel of the World Intellectual Property Organization (WIPO) does not possess the same legal standing and authority as that of the "Registrar" for the purposes of the Act.

It was further held that the Hon'ble High Court did not have jurisdiction to decide an appeal under Section 91 of the Act filed against the decision of the administrative panel of the World Intellectual Property Organization (WIPO). In view of the above, it was held that the said appeal was not maintainable, and the same was dismissed in limine.

Thus, the above stand of the Hon'ble Delhi High Court clarified and laid emphasis on the importance of understanding the scope of jurisdiction of different systems of dispute resolution and their applicability in Indian Courts. The stand taken by the Hon'ble Court further clarified that the parties seeking remedy against an order/decision passed by the administrative panel of the World Intellectual Property Organization (WIPO) must seek other alternative remedies, as the said order/decision cannot be appealed under Section 91 of the Act.

59. Unravelling Trademark Ownership: The Dispute Over ‘STANVAC' In Delhi High Court

Case: Stanvac Chemicals India Ltd Vs. Sachin Pandey [CS(COMM) 386/2023]

Forum: Delhi High Court

Order Dated: July 20, 2023

Issue: Whether the use by the defendant of mark "STANVAC" is an infringement of registered trademark of the plaintiff?

Order: The plaintiff (Stanvac Chemical India Limited), is a registered proprietor of various marks under different classes, including "STANVAC". It has been laboriously using the mark 'STANVAC' since 1994 for a wide range of products such as aerosol sprays, synthetic greases, ceramic coatings, putties etc. The crux of the Plaintiff's dispute revolved around the establishment of significant goodwill and market reputation for their products, as evidenced by provided substantial sales figures during 2021-2022.

The defendant (Sachin Pandey), who is a former distributor of the plaintiff, is engaged in the manufacturing and sale of lubricants, aerosols, greases etc. and had applied for the registration of the mark "STANVAC." Three such applications were filed by the defendant in 2015 on a "proposed to be used" basis. The plaintiff, however, raised concerns about infringement and passing off, leading to a fierce legal battle.

The plaintiff initiated legal action against the defendant, seeking a permanent injunction to restrain them from using the marks "STANVAC, " ", "Stanvac product No. code Z906 Provar anti track (SP)," and STANVAC 8015 ANTI-TRACK (Z906) or any other mark, identical or deceptively similar thereto.

On June 1, 2023, the court ruled in favour of the plaintiff, stating that they had successfully established a prima facie case for infringement and passing off. Accordingly, the court ordered a notice returnable on 5th September 2023 and restrained the defendant from using the impugned marks until the next hearing date.

The plaintiff filed an application under the Code of Civil Procedure, 1908 (CPC) alleging disobedience by the defendant of the order passed by the Court on 1 June 2023.

The plaintiff argued that the nature of the activities of the plaintiff and the defendant were also allied and cognate, if not identical. Further, it was contended that the defendant had applied for registration of the impugned mark STANVAC in 2015, and no products of the defendant using the said mark were found in the market.

It is important to note that the plaintiff contended that in February 2023, the defendant had participated in a bidding process with the Northern Railway for a product labelled as "Stanvac product No. code Z906 Provar anti track (SP)" which used the disputed mark "STANVAC." The Plaintiff attempted to communicate with both the Northers Railway and the defendant, asserting its prior registration of identical mark STANVAC, with the priority of use. However, they did not receive a favourable response.

The plaintiff argued that they are the prior registered proprietor of various trademarks including "STANVAC" has been in use since 1994. Additionally, the plaintiff alleges that the defendant has disobeyed the injunction based on two documents presented during the hearing: a) Two purchase orders dated 6 June 2023 and 7 June 2023 were placed on the defendant by the Central Railway. These orders were for 415 contact cleaners of the make "Stanvac Chemicals", and b) The defendant's website contains links marked "Get Technical Data Sheet," which, when clicked, lead to a page providing technical data for a product called "3001 Super Penetrant," with certain marks (not specified) appearing at the top of the page.

Countering this, the defendant asserted that there has been no reply or dealing by the defendant in any goods bearing the marks subject to the injunction.

The court in its previous order observed that the plaintiff had established a prima facie case of infringement and passing off based on the similarity of the marks and products used by both parties and the fact that their products would be available in the same outlets and cater to the same customer base. Therefore, the court applied the "triple identity test" used in such cases and was satisfied in this case.

For the application filed by the plaintiff under the Code of Civil Procedure, 1908 (CPC) alleging disobedience by the defendant, the court observed that the terms of the injunction were detailed and categorical, restraining the defendant from dealing in goods bearing the specific marks.

The Court determined that neither of the documents presented by the Plaintiff established a case of disobedience of the injunction. There was no evidence that the defendant responded to or supplied goods under those purchase orders using the injuncted marks notwithstanding the fact that they were made to the defendant before the injunction was passed. Regarding the defendant's website and the link to the "Get Technical Data Sheet," the Court stated that the bare presence of certain marks at the top of the page does not constitute dealing in products bearing those marks.

In the previous order, the court directed the filing of the suit and summoned the defendant, instructing them to submit a written statement within 30 days. The court also set a date of August 2, 2023, before the joint registrar, for the completion of the pleadings and admission and denial of documents. Subsequently, the case would proceed to a case management hearing and further proceedings.

Additionally, the court allowed the plaintiff to file additional documents and granted an exemption to the plaintiff from filing legible copies of any dim or illegible documents within 30 days. The court emphasized that issuing a notice under Order XXXIX Rule 2A of the CPC is a serious matter, as such proceedings are quasi-criminal in nature and related to contempt. However, the court found no basis to issue a notice in the present application, resulting in the dismissal of the plaintiff's application alleging disobedience of the injunction.

60. Infringement and Passing Off for Commercial Gain: Calvin Klein Fragrances

Case: Coty Germany GMBH vs Xeryus Retail Private Limited & Anr [CS(COMM) 1298/2018 & I.A. 8603/2023]

Forum: High Court of Delhi

Judgment Dated: July 21, 2023

Issue:

- Whether the defendant was liable for the illegal use of the plaintiff's marks CK and Calvin Klein?

Judgment:

The issue arose between the Plaintiff and the Defendants on account of the unauthorised and illegal use of the marks ck Calvin Klein, CK and Calvin Klein by the latter. The Defendants were found to be using the Plaintiff's reputed marks on their products and also sold testers of the perfumes manufactured by the Plaintiff, which were not intended for retail sale to customers. The Plaintiff asserted before the court that it was a reputed name in the field of perfumes and was also the holder of a number of "**Calvin Klein**" / "**CK**" formative registrations in class 3 in India, *inter alia,* dating back to **1992**.

The Plaintiff further submitted that its trademarks "Calvin Klein" / "CK" were first adopted and founded on the basis of the name of its founder in 1967 and have been in use since then. It was also stated that the particular way of representing/using the Plaintiff's marks in a special stylised manner was unique in itself, thereby constituting original artistic works within the meaning of the Indian Copyright Act, 1957, which were strongly associated with the Plaintiff, being duly entitled to protection.

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It was further stated by the Plaintiff that it sold a wide variety of fragrances under these marks which had become extremely popular amongst the public in general. The Plaintiff also operated the website www.calvinklein.com, through which it disseminated information about its products and the brand, and the same was accessible globally.

The Plaintiff's grievance was that the Defendants, through their websites www.perfumery.co.in and www.unboxed.in, were using the Plaintiff's marks for their products and were also selling the testers of the Plaintiff's perfumes. The main concern of the Plaintiff was that the Defendants engaged themselves in unfair trade practices which harmed the reputation of the Plaintiff as the tester products of the Plaintiff were not meant to be sold for commercial value but were intended to enable prospective customers to sample and analyse the fragrances before deciding to purchase them.

The Defendants were earning money by luring the customers to buy these testers, which were not meant to be sold, thereby hampering the goodwill and reputation of the Plaintiff. The *mala fide* intent of the Defendants and the dishonest adoption and use of the Plaintiff's marks , and by them was also particularly asserted by the Plaintiff. It was also noted that the Written Statement filed by Defendants in this case was struck off vide an order of the court passed on November 8, 2019, on account of the unreasonable delay in filing the same beyond the statutory deadline of 120 days.

Even afterwards, the Defendants repeatedly failed to cooperate and appear in the present matter and thus, vide an order dated February 13, 2023, the court proceeded *ex-parte* against the Defendants. It was held that the Defendants had failed to establish their case, and the statements made by the Plaint were, therefore, deemed to be admitted. It was further held that the act of the Defendants showed that they had no substantial defence to offer. Further, the Plaintiff, in its plaint, had also prayed for an award of damages for a sum of Rs. 2,00,01,000/- [USD 240521 (approx.)].

The court held that the case made out by the Plaintiff established infringement by the Defendants as well as passing off of their goods and the Plaintiff's testers as the Plaintiff's products meant for commercial sale, thereby defrauding the purchasing public at large. The court further awarded costs of Rs. 1,00,000/- [USD 1203 (approx.)] in favour of the Plaintiff to be paid by the Defendants.

61. Enhancing Efficiency in Trademark Disputes: Consolidating Proceedings

Case: Romil Gupta Trading as Sohan Lal Gupta v. Registrar of Trademarks & Anr. [C.A.(COMM.IPD-TM) 1/2023]

Forum: Delhi High Court

Order Dated: July 24, 2023

Issue: Whether the cancellation of Appellant's trademark 'sdHP' by the Registrar of trademark vide order dated December 15, 2022, was valid?

Order: The trademark case in question revolved around the mark 'sdHP.' The court noted that the following multiple proceedings were pending between the parties:

1. C.A.(COMM.IPD-TM) 1/2023 titled Romil Gupta Trading as Sohan Lal Gupta v. Registrar of Trademarks & Anr.
2. W.P.(C)-IPD 10/2023 titled Landmark Crafts Private Limited v. Union of India Through Its Secretary & Anr.
3. CS(COMM) 117/2019 titled M/s Landmark Crafts Private Limited v. M/s Sohan Lal Gupta through its Proprietor Sh. Romil Gupta before the ld. ADJ (Commercial Court) Karkardooma Court.
4. Rectification Application no. 266607 titled Romil Gupta Trading as M/s Sohan Lal Gupta v. Landmark Crafts Private Limited before the Registrar of Trademarks.

The presence of these multiple proceedings complicated the case, prompting the court to consider consolidation to streamline the process and avoid confusion. The court's approach to consolidation was based on an earlier judgment passed in Jumeirah Beach Resort LLC v. Designarch Consultants Pvt. Ltd.

This precedent involved the consolidation of proceedings under the Trademarks Act, 1999, and the Intellectual Property Division Rules, 2022. Section 125(2) of the Trademarks Act empowered the Registrar of Trademarks to refer a matter to the erstwhile Intellectual Property Appellate

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Board (IPAB) at any stage. However, with the enactment of the Tribunals Reforms Act, 2021, the jurisdiction and powers of the IPAB were transferred to the court. In the Jumeirah case, the court concluded that if the Registrar of Trademarks had the authority to refer a matter to the court under Section 125, there was no reason why the court couldn't direct the transfer of a matter to itself, especially when all other related petitions were already pending before the court.

Rule 26 of the Delhi High Court Intellectual Property Rights Division Rules, 2022 also allows for the consolidation of multiple proceedings related to the same or connected intellectual property rights (IPR) subject matter. Whether the proceedings involve the same parties or not, the court has the power and discretion to direct consolidation of hearings, evidence recording, and adjudication.

In light of the benefits of consolidation and to prevent multiple proceedings and conflicting rulings, the court exercised its powers of consolidation under Rule 26 of the IP Division Rules and Section 125 of the Trademarks Act, 1999.

Such consolidation of proceedings is expected to reduce complexities and expedite the resolution process. This can ultimately ensure efficient and effective justice for all parties involved, eliminating the need to go through legal proceedings for each connected IPR matter.

62. Preserving Brand Integrity and Reputation in Trademark Disputes

Case: M/S ITE India Pvt. Ltd vs M/S Tarsus Group PLC [CIVIL SUIT No.57441/2016]

Forum: Patiala House Courts of Delhi

Order Dated: July 27, 2023

***Issues*:**

- Whether the plaint should have been returned on account of lack of cause of action?
- Whether the defendant was guilty of infringing and/or passing off the registered mark as described (International Food and Drink Expo)?
- Whether the suit was liable to be dismissed for non-disclosure of material facts?
- Whether the plaintiff was entitled to an injunction and/or damages, as claimed?

***Judgment*:**

The matter revolved around the alleged infringement of the trademark "IFDE INDIA" by the defendant's use of an identical abbreviation. The court meticulously analysed the evidence, case laws, and legal principles presented by the parties in order to arrive at its final decision.

The court assessed whether the plaintiff possessed a valid cause of action to initiate the lawsuit. After a thorough examination of the facts, it was determined that the plaintiff had a valid cause of action. The court referred to Section 28 of the Trademarks Act, 1999, which clarifies that the valid registration of a trademark confers exclusive rights to the registered owner of the trademark to use it in relation to the goods or services for which it is registered. The court subsequently examined the matter of whether the plaintiff, in their capacity as the registered owner of the trademark "IFDE INDIA," was entitled to any rights in the designation "International Food and Drink Expo." The evidence and legal principles were scrutinised by the court to determine whether the trademark had attained well-known status. It was concluded that the plaintiff had failed to establish the well-known status of the trademark and, as a result, did not possess exclusive rights over the description "International Food and Drink Expo."

In relation to the matter of whether the defendant was culpable for infringing and/or passing off the registered mark, the court diligently scrutinised the evidence proffered by both parties. The court extensively relied on Sections 134 and 135 of the Trademarks Act, 1999, which deal with remedies in cases of trademark infringement and passing off. The court specifically referred to the exceptions mentioned in Section 135(3)(b)(i) and (ii), which state that damages shall not be granted if the defendant can prove ignorance of the plaintiff's trademark's existence or immediate cessation of usage after becoming aware of it.

The defendant's admission of using the trademark abbreviation was considered inadvertent and made under ignorance. The court's analysis was based on the principle that infringement required intentional use of the mark. It was found that the defendant's usage was unintentional and lacked malicious intent, thereby resulting in a ruling against the plaintiff's claim of infringement.

The court proceeded to assess whether the plaintiff was entitled to an injunction. Drawing upon the evidence and legal precedents, it was concluded that the plaintiff had satisfied the necessary conditions for an injunction, and a ruling was made in favour of the plaintiff.

In the context of the claim for damages, the court referred the case of "Inter Ikea System B.V & Ors. Vs Sham Murari & Ors." which involved a discussion on the concept of punitive damages. The court emphasised the importance of evidence of intentional infringement and malafide intent to impose punitive damages.

It was further noted that punitive damages were to follow the award of general damages. Upon analysing the evidence and legal principles, the court determined that there was no significant evidence indicating intentional infringement or malicious intent on the part of the defendant.

Therefore, punitive damages were rejected, and nominal damages of Rs. 3,00,000/- (Three Lac Rupees) were awarded to the plaintiff.

In conclusion, the court partially decreed the suit. The plaintiff was awarded Nominal damages, and the previously granted injunctive relief was maintained. The court had determined that the plaintiff had not succeeded in establishing the well-known status of the trademark and intentional infringement by the defendant. Consequently, the claim for punitive damages was rejected, and nominal damages were awarded. The court's final order has reflected a comprehensive analysis of the evidence, legal principles, and relevant case laws, ensuring a just and reasoned outcome.

63. High Court Grants Injunction in Favour of Puma for "RS-X 3D" Mark

Case: Puma Se vs. Girish Vohra, Owner & Proprietor [CS(COMM) 93/2021, I.A. 2795/2021 & I.A. 12233/2023]

Forum: High Court of Delhi

Order Dated: July 27, 2023

***Issues*:**

- Whether the defendant's "BERKINS" shoes breach the plaintiff's "RS-X 3D" sports shoe intellectual property rights, resulting in a passing off claim?
- Whether the plaintiff's "RS-X 3D" sports shoes have built a strong reputation in India?
- Whether the defendant's "BERKINS" shoe design and sales violate the plaintiff's trademark and trade dress?
- If the defendant's shoes' remarkable likeness in design, colour scheme, and overall appearance to the plaintiff's "RS-X 3D" shoes confuses consumers, leading them to mistake differentiating between the two products, causing damage to the plaintiff?

***Judgment*:**

The court conducted a thorough analysis of the evidence, submissions, and circumstances that were presented throughout the course of the proceedings. Puma SE, the plaintiff, successfully cultivated a positive reputation and created a strong brand presence in the Indian market by virtue of its "RS-X 3D" line of athletic footwear. The sales of the RS-X series exhibited a consistent upward trend throughout the years, as seen by the sales figures provided by the plaintiff, amounting to a total of Rs. 58,38,49,948.

In addition, it is noteworthy that the plaintiff's trademark, specifically the mark "PUMA," has been officially recognised as a well-known trademark in accordance with Section 2(1)(zg) of the Trade Marks Act by the Registry of Trade Marks.

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In contrast, the defendant refrained from contesting the proceedings by abstaining from appearing in court and submitting a written statement. The defendant's failure to respond was interpreted as an implicit admission of the plaintiff's claims stated in the complaint. These claims included the plaintiff's allegation regarding the positive reputation and goodwill associated with their "RS-X 3D" footwear and the alleged imitation of this footwear by the defendant's "BERKINS" brand shoes.

The court decided that the defendant engaged in passing off since the defendant's footwear closely replicated the design, colour scheme, and general visual characteristics of the plaintiff's "RS-X 3D" shoes. The resemblance above had the potential to result in purchasers erroneously perceiving the defendant's merchandise as belonging to the plaintiff.

As a result, the court rendered a decree in support of the plaintiff, encompassing the subsequent directives:

- The defendant, Girish Vohra, and any individuals or entities representing them are hereby subject to a permanent injunction that prohibits the manufacturing or sale of shoes that display designs that are intentionally misleadingly similar to those seen in the plaintiff's "RS-X 3D" series.
- The second defendant is required to make a payment of punitive damages amounting to ₹50,000/- to the plaintiff.
- Furthermore, it is imperative that Defendant 1, also known as Girish Enterprises, adheres to the instructions outlined in a previous ruling on 3 March 2022.

In its decision, the court issued injunctive relief to protect the plaintiff's intellectual property rights and to prohibit any future infringement by the defendant. The court's ruling was based on the plaintiff's well-established reputation, the clear similarity between the footwear, and the lack of protest from the defendant during the legal procedures.

64. Victory for Nestle S.A. in Trademark Infringement Case

Case: Societe Das Products Nestle S.A. & Anr. vs Kit Kat Food Products & Anr [CS/48/2000]

Forum: High Court of Calcutta

Order Dated: July 31, 2023

***Issue*:**

- Whether the Defendants, Kit Kat Food Products & Anr., were engaging in the violation of their intellectual property rights through the utilisation of a comparable trademark and packaging?

***Judgment*:** In this case, the Court conducted an examination of the material presented and proceeded to use the established principles of intellectual property law in order to ascertain the legitimacy of the claims put up by the Plaintiffs. The Plaintiffs, Societe Das Products Nestle S.A. & Anr., asserted their ownership of the trademark "KIT KAT" in accordance with the provisions of the Trade and Merchandise Marks Act, 1958. Additionally, they claimed copyright protection for the packaging of "KITKAT" as per the Copyright Act, 1957. The Plaintiffs contended that the Defendants, Kit Kat Food Products & Anr., were engaging in the violation of their intellectual property rights through the utilisation of a comparable trademark and packaging.

The Court noted that the Plaintiffs had provided evidentiary support for their claims, such as a certificate of registration and rulings from the Intellectual Property Appellate Board. The Court observed that the Defendants had submitted opposition notices in response to the Plaintiffs' trademark applications, alleging their own rights to the "KIT KAT" trademark.

During the process of examining the evidence, the Court made reference to Section 124 of the Trademarks Act, 1999. This particular section outlines that the orders issued by the Intellectual Property Appellate Board in rectification proceedings hold legal authority over civil courts. The Intellectual Property Appellate Board ruled in favour of the Plaintiffs' trademark registration and confirmed their prior usage of the "KIT KAT" mark. The Court also took into account the possibility of consumer confusion arising from the resemblance between the products and trademarks of the Plaintiffs and Defendants.

The Court reached the conclusion that the Plaintiffs have effectively demonstrated their case through the presentation of evidence and the application of legal principles, i.e., suit maintainability, ownership over copyright and trademark, degree of originality & creativity, prior use status, first use status, reputation built and infringement leading to damages.

The Plaintiffs were successful in their case before the Court, which resulted in the granting of a permanent injunction against the Defendants. This order prohibits the Defendants from engaging in any activities that would violate the Plaintiffs' trademark and copyright. The Defendants were directed by the Court to discontinue their use of the "KIT KAT" trademark or any modifications thereof that could potentially mislead or deceive.

In summary, the Court rendered a decision in favour of the Plaintiffs, recognising their entitlement to intellectual property rights and awarding the remedy sought in the form of a permanent injunction against the Defendants' conduct that infringed upon such rights.

65. New Balance Prevails in Trademark Infringement Case Against NinePlus Shoes Based on its Registered N Logo

Case: New Balance Athletics vs Nine Plus Shoes [CS(COMM) 572/2022, I.A. 13135/2022, I.A. 8077/2023]

Forum: High Court of Delhi

Order Dated: July 31, 2023

Issues: Whether the use by the defendant NinePlus Shoes of a slanted "N" logo was an infringement of the plaintiff New Balance's iconic "N" logo?

Judgment: The dispute arose when New Balance accused NinePlus Shoes of using a slanted "N" logo that was similar to New Balance's iconic "N" logo. The infringement was based on New Balance's trademark registration for N device marks ().

New Balance argued that NinePlus Shoes used a slanted "N" logo that bore a striking similarity to New Balance's iconic "N" representation. Given that both companies offered similar products, New Balance contended that this similarity could confuse customers with average intelligence and imperfect recollection. The comparison was shown as follows:

Defendant's N Mark	Plaintiff's N Marks
	
	
	

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On August 23, 2022, the High Court of Delhi granted an *ex parte* ad interim injunction against NinePlus from manufacturing, selling, or offering for sale any shoes, footwear or cognate or allied products bearing the N device marks, New Balance or the NB logo belonging to the New Balance. This order was later modified on April 5, 2023, and permitted NinePlus Shoes to continue using the word "NINE" on its shoes, but only if the word is not stylised in a way that is similar to New Balance's "N" logo. nce.

The defendant's right to file a written statement was closed on November 11, 2022, and NinePlus Shoes expressed willingness to concede to the plaintiff's claims and requested the suit to be decreed in line with the court's order dated April 5, 2023, which allowed the use of "NINE." The court issued a decree in favour of New Balance, permanently restraining NinePlus Shoes from using the "N" logo.

The court deferred the consideration of prayer (f), which sought a declaration of New Balance's trademarks ,  and . as well-known, for a separate examination based on statutory criteria. This is a significant victory for New Balance, which has been aggressively protecting its trademarks in recent years.

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66. Progression of IP Dispute Resolution: Transitioning from IPAB to Specialized IP Divisions in High Courts

Case: Sun Pharma vs Mylan Laboratories Ltd. [CS(COMM) 1098/2016 & I.A.1395/2023]

Forum: High Court of Delhi

Order Dated: August 2, 2023

Issue: Whether the defendant's use of trademark 'SOXPLAT' is an infringement of plaintiff's registered trademark 'OXIPLAT?

Judgment: In 2020, the IPAB issued a decision in a trademark cancellation case, effectively cancelling the trademark 'SOXPLAT' due to its striking similarity with 'OXIPLAT'. Before this decision, the plaintiff Sun Pharma Laboratories Ltd. had filed a trademark infringement suit based on its registered trademark 'OXIPLAT', which was utilised for promoting pharmaceutical preparations containing Oxaliplatin, a key component in cancer treatment.

The Defendant, Mylan Laboratories Limited, used the mark 'SOXPLAT'. The plaintiff contended that this mark bore a deceptive resemblance to 'OXIPLAT' and consequently filed a lawsuit seeking a permanent injunction against the usage of 'SOXPLAT'. The civil suit included an interim injunction application, which was dismissed by the Court. Furthermore, the Plaintiff's subsequent appeal before the Division Bench was also unsuccessful.

However, the pivotal turning point occurred when the IPAB decided in favour of Plaintiff. The IPAB's analysis revolved around the potential slurring of the vowel 'I' within Plaintiff's trademark OXIPLAT, leading to a less pronounced and distinguishing pronunciation. Moreover, the IPAB noted that Defendant's mark had the whole of Plaintiff's mark, differing only in the initial letter 'S'. The evaluation emphasised the phonetic effect of the soft consonant 'S', which failed to diminish the likelihood of confusion arising from phonetic similarity.

Following the cancellation of the defendant's trademark 'SOXPLAT', the defendant voluntarily relinquished the use of 'SOXPLAT'. In response, the plaintiff sought a summary judgment in an infringement proceeding before the Delhi High Court, asserting that the IPAB's decision should be regarded as res judicata. The provision empowers the Court to grant summary judgment in instances where a party's chances of success or defence are minimal and where there exists no compelling reason to record oral evidence.

Given the IPAB's decision and the subsequent abandonment of 'SOXPLAT' by the Defendant, the Delhi High Court, vide its decision dated August 2, 2023, ruled in favour of the Plaintiff, mandating the Defendants to discontinue the use of 'SOXPLAT'. Additionally, recognising the unique circumstances, the Court awarded the Plaintiff costs amounting to Rs. 5 lakhs.

67. Assignment of Trademarks Reversed by NCLT's Kolkata Bench

Case: Bell Finvest (India) Limited vs Duckbill Drugs Private Limited [I.A.(IBC)No.1553/KB/2022 in C.P.(IB) 972/(KB)2018]

Forum: National Company Law Tribunal, Kolkata

Order Dated: August 2, 2023

Issue:

- Whether the deed of assignment was made in good faith?
- Whether the activities of the respondents, including the trademark assignment, are consistent with the provisions of the IBC?

Judgment: Paul Brother, Appellant No. 1, emerged as the winning bidder, and the sale certificate was issued to the Appellant after winning an auction to acquire the Corporate Debtor. The sale certificate stated explicitly that the corporate debtor was sold as a going concern comprising 14 trade marks, which were represented as part of the corporate debtors' assets.

The Appellant discovered that the Corporate Debtor had executed a deed of assignment on April 3, 2017, which transferred, conveyed and assigned 7 of the 14 trade marks to one Ms. Poulami Mukherjee, Respondent no.3, who was also the daughter-in-law of erstwhile director of the Corporate Debtor- Mr. Swapan Mukherjee, the Respondent No.1. It was further disclosed that the application for assignment before the Trade Marks Registry, Kolkata, herein being Respondent No. 5, was filed on January 18, 2022, five years after the execution of the deed of assignment on April 3, 2017.

The deed of assignment also revealed that these marks were assigned for no apparent reason, for a meagre sum of Rupees seven thousand. The Reserve Price (refers to the minimum price that a seller would be willing to accept from a purchaser) of the Corporate Debtor, primarily including such trade marks was fixed at Rupees Five crores.

The Appellant claimed that the Registry should not have accepted the request for assignment of the marks after being informed of the decision of liquidation issued by the Tribunal on April 13, 2021. The Appellant also argued that the conduct and activities of the respondents are contrary to the Insolvency and Bankruptcy Code, 2016 and the Regulations made thereunder. They were further alleged to violate the directions of the Respondent No. 4, being the liquidator, discharging duties under the Code. The Registry's decision was also called to violate provisions of the Trade Marks Act, 1999.

The Tribunal, relying on earlier orders of the Calcutta High court in the proceedings between the parties, mentioned that the alleged Deed of Assignment April 3, 2017, was not made in good faith and should be deemed to have been fraudulent, preferential and undervalued transaction and hence, invalid in the eye of law. The seven disputed trade marks were also to vest with the liquidator as an asset of the Corporate debtor, and the Appellant shall be entitled to exploit all 14 marks, including the disputed ones, commercially.

68. Whispers of BISTRO: Deciphering the CHINA BISTRO Trademark Enigma

Case: Foodlink F & B Holdings India Pvt. Ltd. vs Wow Momos Foods Pvt. Ltd. [CS(COMM) 848/2022]

Forum: High Court of Delhi

Order Dated: August 3, 2023

Issues:

- Whether the impugned marks are deceptively similar under Section 29(2) of the Trade Marks Act?
- Whether the plaintiff is entitled to claim infringement?

Judgment:

The present suit involves a dispute between Foodlink F and B Holdings India Private Limited (referred to herein as Plaintiff) and Wow Momo Foods Private Limited (referred to herein as the Defendant) holding the registration for "CHINA BISTRO," and the defendant using the trademark "WOW CHINA BISTRO."

Plaintiff claims that Defendant has infringed their registered trademark , which has been registered since January 11, 2012, in class 43, for various establishments, including restaurants, bars, snack bars, hotels, cafes, cafeterias, canteens, catering, outdoor catering, food court and food stalls.

The Defendant, until 2019, used the mark "WOW! CHINA," depicted as , after which they added the word element "BISTRO" below the word "CHINA," resulting in the mark "WOW! CHINA BISTRO."

Plaintiff claimed that the addition of the word element "BISTRO" under "CHINA" in Defendant's mark makes it deceptively similar to theirs. Both marks now appear as "CHINA BISTRO," differing solely by the presence of "WOW!" above "CHINA" in the Defendant's version. Plaintiff asserts that this "WOW!" does not adequately mitigate potential confusion, even for an average customer with imperfect memory. The Defendant has no registration for the impugned mark. Both marks are used for similar services - high-end restaurants offering Chinese cuisine.

Diverging from the Defendant's counsel's stance, the court disputed the notion that the marks lack deceptive similarity when assessed in their entirety. The Plaintiff's mark is "CHINA BISTRO," while the defendant's is "WOW! CHINA BISTRO" with visuals. The court considers the viewpoint of an average customer with imperfect memory. If the customer is left wondering about any connection between the marks, it can lead to "initial interest confusion," constituting infringement. The court further observed that the dominant words in device marks are crucial; therefore, in this context, both "CHINA BISTRO" in the Plaintiff's mark and "WOW! CHINA BISTRO" featured in the Defendant's mark hold crucial prominence. Considering an average customer's lack of familiarity with either mark's reputation, the court believes that the addition of "BISTRO" in Defendant's mark creates a likelihood of customers wondering if both outlets are related. This meets the criteria for infringement outlined in Section 29(2) of the Trade Marks Act.

Furthermore, the court held that Plaintiff has a clear prima facie case regarding the aspect of confusing or deceptive similarity under Section 29(2) of the Trade Marks Act. While addressing the second issue, the learned counsel for the defendant questioned the Plaintiff's entitlement to plead infringement due to disclaimers made during the registration process for the mark "CHINA BISTRO”. The counsel asserted that both "CHINA" and "BISTRO" are non-exclusive and individually not registrable due to being a country name and a common term, respectively. With these disclaimers, counsel for the defendant argued that the Plaintiff can't assert exclusivity for the composite mark "CHINA BISTRO." The initial query is whether the plaintiff indeed gave up exclusivity for "CHINA" and "BISTRO."

The counsel for Defendant further highlighted Plaintiff's trademark registrations and submitted that Plaintiff obtained initial trademark registration (No. 1470912) on July 18, 2006, for the device mark “ ” falling under Class 42 and pertaining to a range of services including “restaurant, Bar, Snack Bar, Hotels, Cafes, Cafeterias, Canteens, Catering, Outdoor Catering, food court, food stalls.” Notably, this registration carried a disclaimer indicating that exclusive rights weren’t claimed over the words "China" and "Bistro" unless distinctly represented.

Later, on January 11, 2012, the Plaintiff secured the second registration (No. 2264846) for the device mark under Class 43 linked to the first registration. It covered similar services with a disclaimer that relinquished exclusive rights over the term "China." On July 1, 2017, Plaintiff obtained the third registration (No. 3582562), for the mark in Class 43 covering services like *“restaurants, services relating to providing food and drinks; cafeterias, lounges, bars, pubs; catering services, providing food counters, temporary accommodation, hospitality services, hotels, motel and restaurant booking and reservations; providing of boarding and lodging services hotel information services”.* Unlike the previous registrations, it lacked a direct disclaimer. However, it carried a declaration of association with the second registration (No. 2264846), containing the term "CHINA BISTRO."

The fourth registration (No. 5579338) was pending at the initiation of the present suit but was subsequently registered on July 5, 2023. This registration pertained solely to the word mark "CHINA BISTRO" and notably omitted any disclaimer. Nevertheless, it signalled an affiliation with the third registration (No. 3582562), which featured an identical mark.

The counsel for the Plaintiff disagreed and referred to Section 44 of the Trade Marks Act 1999. The council argued that associated trademarks are meant for joint assignment, not separate use. Therefore, unless specified, associated trademarks are distinct. Additionally, counsel asserted that disclaimers for trademarks bearing no. 1470912 and bearing no 2264846 should not be applicable to subsequent trademarks due to the absence of any disclaimers in their registration certificates.

Based on the arguments from both sides, the court decided that disclaimers on individual terms like "CHINA" and "BISTRO" in the Plaintiff's marks don't stop them from claiming infringement with the combined mark

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"CHINA BISTRO." Disclaimers of parts don't necessarily give up rights to the whole. While they can't claim infringement just because of the word "CHINA" or "BISTRO," they can still cry foul if the combined mark looks deceivingly similar. Disclaiming parts of a mark doesn't automatically disclaim the exclusivity of the entire composite mark; when combined, they can be distinctive.

At a preliminary stage, the Plaintiff is presumed to have a valid mark under Section 31(1) of the Trade Marks Act. The burden falls on Defendant to prove that the mark lacks distinctiveness, which would disqualify Plaintiff from claiming exclusivity over the composite mark "CHINA BISTRO."

In this case, counsel for Defendant contested the distinctiveness of the "CHINA BISTRO" trademark. The court found that the mark wasn't lacking in distinctiveness and wasn't an ordinary combination of words. Even if "BISTRO" could be seen as a synonym for café, it wasn't a common expression. Unlike "CHINESE CAFÉ," the composite "CHINA BISTRO" maintained distinctiveness. The court further dismissed the argument of counsel for the Defendant about the Plaintiff disclaiming individual components of the mark.

The court held that the disclaimer didn't extend to the composite mark "CHINA BISTRO." The court clarified that under Section 17 of the Trade Marks Act, marks must be compared as wholes. The marks "" and "" were deemed deceptively similar due to identical textual components and only a prefix difference.

The court distinguished a previous case, ***Parakh Vanijya* (2018) 16 SCC 632)**, in which the plaintiff disclaimed exclusivity over "MALABAR" but claimed infringement due to its presence in both marks. This is unlike the present case, where exclusivity wasn't disclaimed for the composite mark "CHINA BISTRO," only for its individual parts. With a prima facie case of infringement established, the court followed the principle in ***Midas Hygiene Industries (P) Ltd v. Sudhir Bhatia*** to grant an injunction.

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The court made a ruling based on the facts and legal issue presented and held that the defendant and its representatives were restrained from using the mark/name or WOW CHINA BISTRO as a trademark, label, device, trading style, trade name, logo, keyword, meta tag, domain name, or in any other manner similar to "CHINA BISTRO," until further orders, except for "" and "WOW! CHINA."

69. Roxtec vs Sukant Chakravarty: Legal Battle Over Trademarks and Design Rights

Case: Roxtec AB & Anr versus S. Chakravarty & Ors [CS(COMM) 1045/2016]

Forum: High Court of Delhi

Order Dated: August 7, 2023

Issue:

- Whether the circular rubber module logo was a generic design element widely used in the industry or if it had the distinctiveness claimed by the plaintiffs?
- Whether the plaintiffs sought a monopoly on the individual words of the slogan "WE SEAL YOUR WORLD" or if their claim was limited to the entire phrase?
- Whether the defendants copied the artistic expression of the 'PEELING HANDS' (DEVICE) mark?

Judgment: Plaintiff No. 1, a Swedish company, serves as the parent entity, while Plaintiff No. 2 is its wholly-owned subsidiary responsible for conducting business operations in India. These entities possess several registered trademarks, including a circular rubber module logo , the slogan "WE SEAL YOUR WORLD," and a "PEELING HANDS" (DEVICE) mark . The root of the dispute lies in the Defendant's contention that the Plaintiffs are attempting to monopolize specific trademarks related to cable sealing solutions.

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The Defendants argued that the circular rubber module logo  cannot be monopolized, as it is commonly employed by numerous manufacturers and sellers of cable sealing solutions. They asserted that it is a generic design element widely used in the industry.

Regarding the slogan "WE SEAL YOUR WORLD," the Defendants argued that while the entire slogan may be registered as a trademark, there should be no monopoly on the individual words, as they constitute ordinary English language terms. They contended that the Plaintiffs have attempted to extend their trademark protection to generic words.

Additionally, the Defendants filed an application under Order 1 Rule 10 of the Code of Civil Procedure (CPC) seeking the removal of Plaintiff No. 2 from the list of plaintiffs. They argued that the suit for design infringement initiated by the Indian subsidiary cannot be sustained under Section 22 and Section 30 of the Designs Act, 2000, unless the assignment or license is officially registered with the Design office. They placed reliance on *Amit Jain v. Ayurveda Herbal & Ors.*, which asserts that the registration of an assignment is mandatory in law.

In response, the Plaintiffs emphasized that the circular rubber module logo  is not a generic design but a distinctive "BULLS EYE" device mark exclusively associated with Roxtec. They argued that the Defendants have copied their design and are misleading the public by implying that their products are equivalent to those of the Plaintiffs.

Regarding the slogan "WE SEAL YOUR WORLD," the Plaintiffs acknowledged that they do not seek a monopoly on the individual words but on the entire phrase, as it uniquely identifies their products.

With respect to the "PEELING HANDS" (DEVICE) mark , the Plaintiffs claimed that the Defendants have copied their artistic expression, the 'PEELING HANDS' (DEVICE) mark , which demonstrates how to peel the central portion of the rubber module device.

Additionally, the Plaintiffs argued that Section 30 of the Designs Act grants discretion to the party concerning whether to register the license or assignment. Furthermore, they assert that the Court has the authority to permit the production of a license under Section 30(5) of the same act.

After careful consideration of the arguments and a review of physical products from both parties, the Delhi High Court issued the following decision:

- The circular rubber module logo  (trademark registration no. 1815482) and the "PEELING HANDS" (DEVICE) mark  (trademark registration no. 1296552) are deemed vulnerable. The Defendants are permitted to file cancellation or rectification petitions for these trademarks.
- The registration for the slogan "WE SEAL YOUR WORLD" (trademark registration no. 1794058) is confined to the entire phrase, and there shall be no monopoly on the individual words.

- Trademarks bearing registration numbers 1080575, 1080577, and 1080578, when used with the mark Roxtec, shall include the disclaimer "Registration of this Trade Mark shall give no right to the exclusive use of the DEVICE."
- The Delhi High Court found that the Plaintiffs not only relied on the design registrations of Plaintiff No.1 but also provided sales figures for Plaintiff No.1 on a global scale and for Plaintiff No.2 specifically in India, including promotional expenses.

As a result, the Delhi High Court declined to remove Plaintiff No. 2 from the list of parties. Instead, an issue is framed to be adjudicated at the final stage: "Whether Plaintiff No.2 is a necessary and proper party in the present suit?"

70. Even The Slightest Possibility of Confusion in Drugs is Impermissible in the Pharmaceutical Sector

Case: Mankind Pharma Limited vs Novakind Bio Sciences Private Limited [CS(COMM) 188/2021, I.A. 5700/2021 & I.A. 3248/2023]

Forum: High Court of Delhi

Order Dated: August 7, 2023

Issues: Whether the defendant's use of the mark 'NOVAKIND BIO SCIENCES PRIVATE LIMITED' for selling pharmaceutical products, particularly the use of the term 'KIND' in their trade name and the mark "DEFZAKIND" for Deflazacort tablets, infringed upon the plaintiff's trademark rights?

Judgment: The Plaintiff (Mankind Pharma Limited), a leading pharmaceutical organisation and the fifth largest in India, adopted the trademark **MANKIND**, as part of the trading style of the Plaintiff in 1986. The Plaintiff's brands are listed among the top five brands in pharmaceutical products, and in addition to the aforesaid, the Plaintiff is also the registered owner of the websites namely "*mankindpharma.com, mankindunwanted.com, mankindmanforce.com, mankinddontworry.com, mankindkaloree1.com, futuremankind.com, vetmankind.com, caremankind.com, petmankind.com, mankindpharma.net, magnetmankind.com, specialmankind.com, mankindpharma.asia, mankindpharma.cn, mankindpharma.org, mankindpharma.us and mankindpharma.edu*." The Plaintiff uses **'KIND'** (KIND family of marks) in the second part of the name for the pharmaceutical preparations that it manufactures and sells.

The Plaintiff had approached the Court due to the Defendant's (Novakind Bio Sciences Private Limited) use of the mark '**NOVAKIND BIO SCIENCES PRIVATE LIMITED**' for the purpose of selling various pharmaceutical products.

In 2020, the Plaintiff had issued a cease-and-desist notice to the Defendants calling upon them to desist the use of the mark **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** on the grounds that the term **'KIND'** forming part of **'NOVAKIND'** infringed the Plaintiff's registered

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trademark. Due to non-compliance with the aforesaid, the Plaintiff sought a permanent injunction against the Defendant, restraining them from using **"KIND"** as a part of the trade name/trademark for manufacturing and selling any of its medicinal and pharmaceutical preparations. The Plaintiff also sought an injunction against the use of the mark **"DEFZAKIND"** for Deflazacort tablets packed and sold by the Defendant due to the use of the term '**KIND.**'

The Court, while issuing summons in the Suit vide its order dated April 20, 2021, granted *ex parte ad interim injunction* in favour of the Plaintiff restraining the Defendants from manufacturing, selling, marketing, etc., any pharmaceutical product bearing the "KIND" suffix. Thereafter, the said order was contested by the Defendant as they sought to vacate the same.

At the outset, the Defendants contended that no exclusivity could be claimed over the term **'KIND'** as a suffix for any pharmaceutical product and that it is not a registered mark of the Plaintiff. Secondly, the Defendants submitted that they were using the mark **'NOVAKIND'** as its corporate name and not as its trademark; hence, no injunction lies in favour of the Plaintiff and further emphasised the applicability of Section 29(5) of the Trademarks Act, 1999 (Act) while also placing reliance on the case of ***Cipla Ltd. v. Cipla Industries Pvt. Ltd***. The Defendant also argued that there is a statutory requirement to mention the name and address of the manufacturer of pharmaceutical preparations as under the Drugs and Cosmetics Act, 1940.

The Defendants also relied on submissions that there is no chance of confusion as pharmaceutical products are prescribed and dispensed by individuals such as doctors and chemists who are trained in their profession to do so. Lastly, it was contended that the Defendant's pharmaceutical products are sold and prescribed under the brand name and not under the name of the manufacturer of the drug.

In response to the Defendant's submissions, the Plaintiffs argued that the Defendant's mark **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** is prominently placed on its pharmaceutical products alongside, ® thereby proclaiming that it is, in fact, the registered trademark of the Defendant. Thus, it was argued that the Defendant was highlighting the mark **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** as its source identifier, thereby intentionally proclaiming that it "has all intent to use the trade name "**NOVAKIND**" as it has built its trade reputation and goodwill".

The Court, at the very outset, opined that the marks '**NOVAKIND**' and '**MANKIND'** when used for pharmaceutical preparations are indeed confusing as the Plaintiff uses the suffix **'KIND'** for all its pharmaceutical products and reiterated a co-ordinate bench decision of the Court in ***Mankind Pharma Ltd v. Cadila Pharmaceuticals Ltd***. wherein it was held that the suffix '**KIND'** was a dominant feature of the Plaintiff's trademark.

The Court highlighted that apart from the Plaintiff having the registration of the mark **'MANKIND'** in every class, it is clear that the marks '**MANKIND**' and '**NOVAKIND'** when compared as sole marks, are phonetically deceptively similar due to the presence of the **'KIND'** suffix. Additionally, it was held that the mark **'NOVAKIND',** when viewed as a whole, is phonetically similar to the mark **'MANKIND',** thereby maintaining that owing to the similarity of the marks and identity of the goods in respect of which they are used, there is likelihood of association of the Defendant's mark with the Plaintiff's.

The court, while relying on the case of ***Bloomberg Finance LP v. Prafull Saklecha,*** held that "*while Section 29(5) applies in a case where a registered trademark is used by another person as part of its corporate name, 0nonetheless, if it is found on facts that Section 29(5) does not apply, the applicability of the preceding sub-sections (1) to (4)of Section 29 is not ruled out*", rejected the Defendants submission that **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** is not a trade mark. In doing so, the Court maintained that all the indicia provided under Section 2(zb) of the Trade Marks Act, 1999, which defines a mark, stands fulfilled by the Defendants mark **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** and therefore the Defendant uses **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** as a trademark and not as its corporate name. As a result of the aforesaid, the Court took a contrary view from that of the judgment of ***Cipla Ltd. v. Cipla Industries Pvt. Ltd*.** delivered by the Hon'ble Bombay High Court.

The Court aptly held that the Defendant's use of **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** on its pharmaceutical products packaging for purposes of sale amounts to 'use of the mark' within the meaning of the Act. It was rightly pointed out that, indeed the Defendant was using **'NOVAKIND BIO SCIENCES PRIVATE LIMITED'** as a source identifier as it displayed the same prominently on its products strips along with the symbol ®, thus attracting the provision of Section 29(2)(b) of the Act. It was also noted that the statutory requirement of affixing the company name on the pharmaceutical product does not justify the Defendant using a company name which infringes the registered trade mark of the Plaintiff.

The application of the test of deceptive similarity as provided by the Court is such that the application of the test is to be conducted from the perspective of the customer; if there is a possibility of confusion in the mind of a customer, the test stands satisfied.

While arriving at a conclusion, the Court further maintained that the poor who are unable to afford the services of upmarket physicians frequent services of clinics where many of the doctors practising therein prescribe medicines based on their manufacturer. In view thereof, the Court observed that a physician, or dispensing chemist, who finds drugs manufactured by the Plaintiff especially effective may prefer them but may get confused into believing the drugs manufactured by the Defendant to be those of the Plaintiff, owing to the common "KIND" suffix.

Considering all of the aforesaid, the Court made absolute the interim injunction order dated April 20, 2021, against the Defendant from manufacturing medicines using the suffix "Kind" until the final disposal of a trademark infringement suit filed by the Plaintiff.

71. Court Strikes Down 'SHERRIN' Mark from Register Over Non-Use and Identity Clash

Case: Russell Corp Australia (P) Ltd. vs Ashok Mahajan [C.O.(COMM.IPD-TM) 164 of 2022.]

Forum: High Court of Delhi

Judgment Dated: August 8, 2023

Issue: Whether the registration of the trademark " " by the Respondent for products, such as sporting goods and footballs, is liable to be removed from the register due to its similarity with the prior trademark of the Petitioner, considering the fact that the Petitioner's trademark has been in use for 140 years.

Judgment: The Petitioner, Russel Corp Australia (P) Ltd., sought cancellation of the Respondent's mark and the removal of the said mark from the Register of Trade Marks.

The Petitioner's brand name 'SHERRIN' was adopted in 1879 by Mr. Thomas William Sherrin, who started a manufacturing unit in 1879 in Australia wherein the company manufactured and designed specially shaped footballs for us in Australian football.

The Australian Football League thereafter accepted the said special shape of the ball and went on to become the standard shape and size for football in Australia. The Petitioner showed that it makes footballs which are sourced from Jalandhar, India and various other locations. The Petitioner submitted documents, including communications and purchase orders, etc., as evidence to show its use of its mark since 1999.

The Respondent filed the application for the mark 'SHERRIN' in class 35 for the services of advertising, business administration, office functions, wholesale and retail outlets, and franchisees, including services relating to distribution, trading, marketing, import and export of sports wear, sports shoes; sports bags, kits, leather bags, leather gears; sporting articles, games & playthings on January 04th 2014, which was opposed by the Petitioner on March 23rd 2016. The Respondent had also registered the mark in class 28 for Sporting articles (except clothing) filed on February 27th 2007. The present Petition had been filed against the registered mark SHERRIN ( ) belonging to the Respondent in class 28, and the Petitioner based the present case on the grounds of non-use of a trade mark, close identity of its subsequent mark with the Petitioner's mark and also that the Respondent is a habitual offender of misusing well-known marks.

The Petitioner hired an investigation officer who submitted his findings to the court via an Affidavit wherein it was found that the Respondent's mark is not in use post 2010. A market survey conducted by the investigator also revealed that no products of the Respondent were available in the market under the brand .

The Court was of the opinion that the Petitioner is a prior user of the mark and the said trade mark has been registered in its favour in various jurisdictions. The name is derived from the surname of the founder of the Petitioner company. The Court opined that the use of the mark SHERRIN by the Respondent was in bad faith, including the writing style. The Court further held that the manner in which the Petitioner's business had expanded over the last 140 years was clearly recognisable. The mark 'SHERRIN' was not merely used for Australian football-related activities, but the same was used for the iconic ball that was used in the sport, which had a unique design and appearance.

The court, after examining the report submitted by the investigation officer, stated that this case falls under the purview of Section 47 of the Act, which states that a registered trade mark was liable to be taken off the Register if the mark was not used for a period of five years and three months prior to the date of filing of the petition. The Court opined that in the absence of denial by Respondent, the Court had no reason to disbelieve the pleadings and the investigator's Affidavit.

The court held that the mark 'SHERRIN', which has become synonymous with Australian football due to its long-standing usage and history dating back to 140 years, the Respondent's mark was clearly identical and causing deception and confusion in the minds of the public due to their registration under similar classes. The Court thus directed the Respondent's mark 'SHERRIN' in Class 28 to be removed from the Register of Trade Marks.

72. Trademark Disputes Unveiled: The Intersection of Registered and Prior Users

Case: Paul Components vs Hi-Tech Arai [CS(COMM) 374/2023 & I.A. 10831/2023]

Forum: High Court of Delhi

Order Dated: August 9, 2023

Issue: Whether the use of mark by the defendant was an infringement of the plaintiff's mark ?

Judgment: The Plaintiff (Paul & Paul Components) claimed that they were the registered proprietor for the marks HTA, and asserted continuous usage of said marks since the year 1977 in connection with oil seals and rubber components utilised in vehicular applications. The Defendant (Hi-Tech Arai) claimed that they have been using the marks HTA, ARS-HTA and, since 1985 for oil seals that were bought by vehicle manufacturers and Original Equipment Manufacturers. The exhibits of the packaging of the products depicting the rival marks are shown below.

PLAINTIFF'S PACKAGING	DEFENDANT'S PACKAGING
	

The Plaintiff submitted that they are the registered proprietors of the mark and have been using the mark prior to the date of usage by the Defendant and are therefore the prior users of the mark. The Defendants submitted that the Plaintiff has fabricated evidence to pre-date the first use of the mark by the Plaintiff and that therefore the claim of the Plaintiff is liable to be dismissed due to the lack of substantial evidence.

In this judgment, the Court considered the rights of a registered user, the likelihood of confusion and the rights of a prior user in determining the possibility of granting an injunction.

The Plaintiff claimed to be users of the mark since 1977 and in order to substantiate their claim of usage since 1977 they submitted (i)invoices from 1977-2023, (ii)notices from dealers, (iii)company calendars printed by Paul and Paul bearing the HTA mark, (iv)photos from Auto Expos where the Plaintiff has used the mark HTA on their banners and (v)official communications made by the Plaintiff-company.

The Plaintiff submitted that the Defendant began using the mark HTA only in 2020 and that the same is supported by the apparent lack of usage of "HTA" in their internal and official documents. The Plaintiff drew attention to the usage of HTA as a mere reference number printed on the Defendant's invoices and stated that such usage cannot claim refuge under Section 101 of the Trade Marks Act (hereinafter referred to as the Act), which elaborates the circumstances under which a mark is deemed to be used in the course of trade (as a trade mark). The Plaintiff also drew attention to the fact that "HTA" is written by hand in the invoices of the Defendant whereas the details of the invoice are printed, drawing attention to the suspicious addition by hand at a later stage.

The Plaintiff concluded by stating that that due to the lack of usage of the mark by the Defendant as is evidenced by the arguments of the Plaintiff, the rights vested in the Plaintiff as a registered user and the rights vested in the Plaintiff as a prior user, an injunction must be granted against the Defendant.

The Defendant contended that the documents filed by the Plaintiff are fabricated and have been created because the Plaintiff is aware that the Defendant has been using the mark since 1985. The Defendant submitted that this is an attempt to fraudulently obtain rights as a prior user when the trade mark registration cites the year of first use as 1994.

The Defendant submitted that the mark ARS-HTA is an acronym of the Defendant-Company (Hi Tech Arai) which is the result of a joint venture

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between Arai Seisakusho Co. and the Defendant. The Defendant submitted that the mark is recognised across the globe as being a source identifier of the Defendant. They submitted that the marks are included in the mould used by the Defendant and that this amounts to usage as a trade mark since it connects the product to the source.

The Defendant argued that if the fact that "HTA" is written by hand on the invoices of the Defendant ought to be a ground for refusal of acceptance of the Defendant's invoices, then the invoices of the Plaintiff (from 1977-1994) ought not to be considered since they are handwritten.

The Defendant drew the Court's attention to an attempt to amend the date of prior use in the Registry's documents by the Plaintiff that was rejected due to lack of substantial evidence and argued that the mere submission of three extra invoices in the present case does not mitigate the issue of insufficient evidence.

The Defendant submitted that since the registration of the mark is muddied with inconsistencies the Plaintiff cannot benefit from Section 31(3) of the Act, which presumes that registration is proof of the validity of the mark. The Defendant relies on Armasuisse v. Trade Mark Registry and Lowenbrau AG v. Jagpin Breweries Ltd., passed by Division benches of the Delhi High Court in order to substantiate their argument.

The Defendant stated that the authenticity of the Plaintiff's invoices must be questioned because the invoices from 1997 to 1994 are handwritten, and the invoices from 2001 to 2006 are absent. The Defendant concluded by stating that the marks of the Plaintiff ought to be cancelled on the grounds of Section 57(1), Section 57(2) and Section 11(1) of the Act.

The Defendant requested the Court to consider the effect of an injunction, which is that the assembly line of various vehicle manufacturers would be brought to a halt if the Defendant is unable to supply their products.

The Plaintiff submitted that upon admission of seniority of the Plaintiff and proof that the marks are identical and being used for the same products, an injunction must be granted in favour of the Plaintiff. The Plaintiff contended that the mark HTA used by the Defendant was not a source identifier but a mere model number and that HTA was used by the Plaintiff to denote substitute parts for the manufactured parts.

The Court analysed the rights granted upon registration and observed that there are two distinct rights that emerge as a result of registration – the right to exclusivity and the right to protect against infringement.

The Court considered upon prior rulings such as the observations in Midas Hygiene Industries (P) Ltd. v. Sudhir Bhatia and Laxmikant Patel v. Chetanbhai R Shah passed by the Supreme Court and inferred that an injunction is mandatory in cases of infringement or passing off.

The Court opined that as is practised by the Supreme Court, it is not necessary to consider the balance of convenience and irreparable loss since these factors are an element of every judicial proceeding involving a violation of an intellectual property right.

The Court observed that the Defendant did not sufficiently display that the Plaintiff had not used the mark since 1977 and that, as a result, the Plaintiff has established itself as the prior user.

With regards to the deceptive similarity between the marks, the Court held that the use of HTA by the Defendant viewed through the lens of Section 29(2)(c) and Section 29(3) of the Act and usage of Ars-HTA by the Defendant viewed through the lens of Section 29(2)(b) of the Act established a case for infringement and the likelihood of confusion. In this manner, infringement was established.

With regards to the likelihood of confusion, the Court considered the points laid out in Shree Nath Heritage Liquor Pvt. Ltd. v. Allied Blenders and Distilleries Pvt. Ltd. and held that it was a case of reverse confusion where the consumer would assume the junior user (Defendant) to be connected to the senior user (Plaintiff). Therefore, an injunction was granted in favour of the Plaintiff.

73. Service of Notice Complete on Date of Receipt of E-mail: Madras High Court quashes Trade Mark Registry's Abandonment Orders

Case: Ramya S. Moorthy vs Registrar of Trade Marks and Ors. [W.P. (IPD). Nos. 3 & 4 of 2023]

Forum: High Court of Madras

Order Dated: August 10, 2023

Issue: Whether the two trademark applications were rightly deemed abandoned because the applicant did not file counterstatements within the specified time after receiving a notice of opposition?

Judgment: The Petitioner had assailed two orders, both dated April 28, 2023, by which the application for registration of the relevant marks was deemed to be abandoned. As far as the factual matrix goes, the Petitioner had filed two separate applications for their marks, which were accepted for advertisement and were published in the Trade Marks Register. Thereafter, on January 12, 2023, the second Respondent herein Nirma Ltd. had filed an opposition against the marks. Although the first Respondent the Trade Marks Registry asserts that the notice of opposition was electronically transmitted to the Petitioner on January 19, 2023, the Petitioner denies receipt of the same. The Petitioner asserted that on account of such non-receipt of the notice of opposition, the counter statements were not filed within the two-month time period specified in Section 21(2) of the Trade Marks Act, 1999 ("TM Act"). In light of this, the Trade Mark Registry issued the impugned orders dated April 28, 2023, holding that the Petitioner was deemed to have abandoned the two applications, and hence, the present writ petitions.

Now, the Petitioner placing reliance on Section 21(2), contended that the clock starts ticking only upon receipt by the Applicant of a copy of the notice of opposition and therefore, since the notice of opposition was not received by the Applicant/Petitioner, the conclusion that the Applicant abandoned the applications is untenable. Further, the Petitioner emphasized that the document as relied upon by the Trade Mark Registry, indicating transmission of the opposition notice on January 19, 2023, to the agent of the Applicant, did not evidence the receipt of the notice of opposition by the Applicant. On the other hand, the Respondent relied upon Rules 17 and 18 of the Trade Marks Rules, 2017, and contended that notice may be served through e-mail to the address provided by the Applicant, and that service of notice by e-mail is deemed to be proper service upon dispatching the e-mail. Hence, the document evidencing dispatch of the opposition notice to the Applicant / Petitioner on January 19, 2023, would be considered a "success" in terms of service.

The Hon'ble Court first looked at the text of Section 21 (2) which provides that the Registrar shall serve a copy of the notice of opposition on the Applicant and that within two months of receipt of the same, the Applicant shall send the counterstatement to the Registrar, and if he does not do so, the application would be deemed to be abandoned. Thereafter, the Court looked at Rules 17 and 18 deal with the address for service and service of notice respectively, and particularly at Rule 18 (2) which is reproduced below:

"(2) Any communication or document so sent shall be deemed to have been served, at the time when the letter containing the same would be delivered in the ordinary course of post or at the time of sending the e-mail."

The Hon'ble Court observed that Rule 18(2) incorporates a legal fiction with regard to service of notice by e-mail, as in the notice would be deemed to be served "at the time of sending the e-mail", which if construed literally, would mean that no more than proof of transmission of the e-mail is required.

The Court opined that especially in the context that there is no provision for deemed receipt in the Act if the literal construction of Rule 18 (2) was taken, it would not be in consonance with Section 21(2), which provides that the time limit for filing the counter statement would run from the date of receipt by the Applicant of the notice of opposition.

Therefore, the Hon'ble Court concluded that the prescribed time limit would only run from the date of receipt of the e-mail, and the document of transmission of the notice by e-mail relied on by the Registrar of Trade Marks would not qualify as evidence of receipt by the Petitioner. The Writ Petitions as filed by the Petitioner were allowed by quashing of the impugned abandonment orders, and the Court directed for the two applications to be restored to the file of the Registrar of Trade Marks for reconsideration by the Registrar and further gave a time period of one month from receipt of this order to the Petitioner to file their counter statements.

Thus, we see in the present case, while still paying heed to the strict timelines set forth in the Trade Marks statute, the Hon'ble Court, keeping in mind the fact that the substantive right of an Applicant seeking registration for their trademarks is at stake, has made sure that the interpretation of provisions dealing with service of notice even when service is done through electronic transmissions, is kept in consonance.

The Trade Marks Registry has not been allowed to wash off its hands of service of the notice by just performing the act of sending intimation, i.e., sending the email, rather than the purpose of a service notice, i.e., for the Applicant to know that their mark is opposed which is possible only once the Applicant actually receives the intimation, has been given precedence.

74. Keyword Trademark Usage in Google Ads - Delhi High Court Division Bench Affirms Trademark Infringement

Case: DRS Logistics Pvt. Ltd & Others vs Google India Pvt Ltd & Others [CS(COMM) 1/2017]

Forum: High Court of Delhi

Order Dated: August 10, 2023

Issues: Whether Google's practice of allowing advertisers to use registered trademarks as keywords in its Ads Programme constituted trademark infringement under the Trade Marks Act?

Judgment: Google operates both the Google Search Engine and the Google Ads Programme. The Ads Programme functions as a user-friendly advertising platform, allowing advertisers to generate and exhibit online advertisements connected to their websites. The central point of contention revolves around the practice of utilising registered trademarks as keywords, where advertisers compete for terms to secure prominent ad positioning in search results. Google's defence relies on its interpretation of trademark usage as keywords within the digital realm. Google argued that this practice does not qualify as 'usage' under the Trade Marks Act, and even if it resembles a registered trademark, it does not automatically amount to infringement. Google pointed to the lack of visibility in keywords and differentiated them from meta-tags.

Furthermore, Google invoked the protective provision outlined in Section 79 of the Information Technology Act, positioning itself as an intermediary. It maintained that it operates as a neutral platform, safeguarded from liability concerning content hosted by third parties. Google contended that keywords remain unseen by users and, as a result, do not fulfil the criteria for 'usage' as defined in the Act.

The division bench, as per the findings of the Single Judge, refused to limit the scope of 'use' to merely visual representations. The court emphasised that the use of a mark need not be limited to physical or printed forms. Instead, it highlighted the broad language of the Act, suggesting that 'use' could extend to actions beyond the traditional notions of visual representation.

In a thorough exploration of whether utilising trademarks as keywords constitutes infringement, the court conducted a detailed analysis of Section 29 of the Trade Marks Act. The court ultimately determined that using trademarks as keywords within Google's Ads Programme indeed falls under the category of 'use' in advertising as outlined in Section 29(6) of the Trade Marks Act. The court emphasised that the concept of 'use in advertising' extends beyond the mere visual presentation of the trademark in an advertisement. Rather, the simple act of using a trademark as a keyword to initiate advertisements is indicative of 'use in advertising' as defined within the scope of the Act.

While Google contended that meta-tags and keywords serve distinct purposes, the court emphasised their parallel functions. Both meta-tags and keywords facilitate the association of websites or links with specific search queries. Whether through organic search results or sponsored links, the goal remains to increase a site's visibility and attract relevant internet traffic.

Eclipsing conventional viewpoints, the court decisively discarded the notion that the utilisation of trademarks as keywords within the Ads Programme solely constitutes action by advertisers, dissociated from Google's active participation. The court categorically repudiated the foundational premise that Google's involvement is confined to offering tools and technical infrastructure for advertisers to engage keywords. The court endorsed the standpoint that Google actively encourages the use of keywords. Moreover, the court highlighted Google's pivotal role in the auctioning of keywords, including trademarks, a practice which endows Google with a distinct advantage.

The court upheld the finding that Google's use of trademarks as keywords constituted use in advertising under the Trade Marks Act. The court also highlighted that the safe harbour provisions of Section 79 of the IT Act might not shield Google from liability if it was actively involved in infringing activities.

75. An Analysis of Trademark Infringement and Validity in the Case of PANTOCID vs PANTOPACID

Case: Sun Pharma Laboratories Ltd vs Finecure Pharmaceuticals Ltd [CS(COMM) 283/2023, I.A. 8800/2023]

Forum: High Court of Delhi

Order Dated: August 16, 2023

***Issues*:**

1. Does the defendants' "PANTOPACID" mark infringe the plaintiff's "PANTOCID" mark?
2. If infringement is established, is the plaintiff entitled to interlocutory injunctive relief against the defendant?

***Judgment*:**

The court examined the relationship between Sections 28(1) and 29 of the Trade Marks Act. It emphasised that the entitlement to relief against infringement is conditioned upon the validity of the registered trademark. While Section 29 focuses on infringement, Section 28(1) requires a valid registration for claiming relief against infringement. The court clarified that the existence of a valid registration is essential for both the right to claim exclusivity and the right to obtain relief against infringement.

The court acknowledged that trademark registration is *prima facie* evidence of its validity, as outlined in Section 31(1) of the Trade Marks Act. However, this presumption is not absolute; it merely indicates that the registration is *prima facie* valid and shifts the burden to the opposing party to present evidence to the contrary. The plaintiff, at the interlocutory stage, is tasked with establishing a *prima facie* case, benefiting from the presumption of validity. If the defendant seeks to undermine this presumption, a more robust case is required to shift the initial benefit.

In the case, a formidable challenge emerged as the plaintiff's registration of "PANTOCID" faced scrutiny under Section 11 of the Trade Marks Act. The defendant argued that the plaintiff's mark could not stand due to the existence of the earlier registered "PANTOCID" mark by a third party,

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Takeda. Section 11(1)(a) specifically bars registration if there exists a likelihood of confusion from identity with an earlier trademark.

The plaintiff attempted to invoke the 'special circumstances' clause under Section 12 to rescue their registration. However, the court asserted that this clause, usually a remedy for certain exceptional cases, does not apply in the plaintiff's scenario.

The court delved into the concept of "honest concurrent use" and emphasised that it must be pleaded and proven. Further, the "special circumstances" provision is not unbridled and is circumscribed by Section 11(4), which mandates consent from the earlier mark's proprietor. The plaintiff's reliance on a past order and affidavits to validate the registration failed to sway the court's analysis.

The court analysed whether "PANTOPACID" infringed the plaintiff's "PANTOCID" mark based on Section 29(2)(b) of the Trade Marks Act. It found that the cumulative conditions for infringement were satisfied, including phonetic similarity, similarity of goods, and likelihood of confusion or association. The court dismissed arguments related to potential differences in distribution channels, as they did not eliminate the likelihood of confusion.

The case clarifies that while the issue of validity is not directly relevant in the context of infringement under Section 29, it becomes crucial when seeking relief under Section 28(1) against proven infringement. In other words, a plaintiff's successful demonstration of infringement is insufficient on its own; the registration's validity is a precondition to securing relief against the infringement.

The court's analysis underscores the necessity for the plaintiff to respond effectively if the defendant mounts a substantive challenge to the registration's validity. Successfully defending the validity of the registration is paramount to obtaining relief, even in the presence of proven infringement.

The court addressed the impact of the common prefix "PANTO" on the plaintiff's exclusivity claim. It explained that while the prefix might not be individually registered, deceptive similarity persisted when considering the whole marks.

The court noted issues of concealment and suppression by the plaintiff. It pointed out the plaintiff's failure to disclose Takeda's earlier application for the same mark and the plaintiff's own opposition to the defendants' application for registration. The court held that such behaviour disentitled the plaintiff to injunctive relief.

76. Trademark Battle Unfolds: The 'Khiladi' Clash in Indian Cinema

Case: Venus Worldwide Entertainment vs Popular Entertainment Network [CS(COMM) 100/2022]

Forum: High Court of Delhi

Order Dated: August 17, 2023

Issues: Whether the use of mark 'KHILADI' by the defendant as a movie title is an infringement of plaintiff's trademark rights?

Judgment: The Plaintiff was established in 1988 and is a well-known player in the Indian film industry. They make and distribute movies all across India. They've been quite successful for more than 30 years, making hit films like Baazigar, Main Hoon Na, and Dhadkan. Their first movie, 'Khiladi', which came out in 1992, was a big hit and launched Akshay Kumar's career, earning him the nickname 'Khiladi'.

This success led to a series of movies with 'Khiladi' in their titles, like Main Khiladi Tu Anari (1994), Sabse Bada Khiladi (1995), and Khiladiyon Ka Khiladi (1996). The company made the first two films in this series, 'KHILADI' and 'Main Khiladi Tu Anari'. They got all the rights to the film 'KHILADI' through an agreement in 1997 with another company called M/s. United Seven ((Plaintiff's predecessor).

Defendant No. 1, an Indian Film and Distribution Company established in 1987, has been actively engaged in the creation and dissemination of cinematic works across Hindi, Telugu, and Tamil languages. Its role encompasses both production and distribution within the film industry. In tandem, Defendant No. 2 is recognised as a producer of the forthcoming Telugu film 'Khiladi' along with Defendant No. 1.

The lawsuit began when the Plaintiff learned about the Defendants' upcoming movie 'Khiladi' set for release on 11.02.2022 in Telugu and Hindi. Initially, the court discussion focused on the film's theatrical release. Later, they discussed potential changes to the movie's promotional tagline 'Play Smart' for digital and other platforms.

The case was adjourned multiple times, and on 21.03.2022, the Plaintiff sought to halt any actions that could disrupt the situation. However, the Defendants had already released 'KHILADI' on Disney-Hotstar OTT Platform on 11.03.2022. The Plaintiff's application was dismissed, leading to further arguments on the case's merits as no immediate relief was granted to the Plaintiff.

The plaintiff asserted that they were the registered owner of the 'KHILADI' trademark and various 'KHILADI' related trademarks for cinematographic films and motion pictures, dating back to June 5th, 1992. They argued that they had the exclusive right to use these trademarks for the registered goods and services, and they sought legal remedies for any trademark infringement, as specified by the Trade Marks Act.

Plaintiff argued that this case meets the triple identity test: (a) the marks are identical, (b) the products/services (cinematographic films and entertainment services) are identical, and (c) the territory is identical (India). Therefore, it squarely falls under Section 29(2)(c) of the Act, and the court shall presume it's likely to cause confusion among the public. The Plaintiff further argued that the film 'KHILADI' was a massive hit, making Mr Akshay Kumar 'Bollywood's Mr Khiladi.'

The trademark 'KHILADI' is exclusively linked to the Plaintiff due to the movie's commercial success, extensive promotion, and public recognition. Since its 1992 release, 'KHILADI' is inseparably linked to the Plaintiff in the public's mind.

The Plaintiff argued that the Defendants should have done a trademark search before using the same name for their movie. They claim the Defendants acted dishonestly by using the Plaintiff's trademark and a similar image of a man, creating visual and conceptual similarities in the marks, in addition to phonetic similarities and the law recognises the protection of film titles as strong trademarks, especially if they have gained a unique meaning like 'Khiladi' and others such as 'Sholay,' 'Zanjeer,' and 'Deewar and the Plaintiff further relied upon various judicial precedents in support of its contentions.

Defendant asserted that the film had already been released in theatres in both Telugu and Hindi dubbed versions on 11.02.2022 and is no longer running on theatres, respectively available on digital platforms. The defendant contended that no interim injunction should be granted since films cannot be treated like packaged goods. The Defendants further argued that the word 'KHILADI' is generic, not coined or arbitrary, and the delay in Plaintiff's approach to the Court weakened their position. The Plaintiff's awareness of the film's progress through public domain announcements and the CBFC certification strengthens the Defendants' argument against the injunction.

The defendant also raised eyebrows at the plaintiff's claim of the distinctiveness of the term 'Khiladi' and highlighted the plaintiff's registration pertaining to a device mark rather than the term itself.

Defendant also contended that the Plaintiff has itself claimed exclusivity and distinctiveness in the device mark as a whole before the Registrar of Trade Marks in its reply dated 15.09.2017, and therefore, it is not open to Plaintiff to claim distinctiveness in the word ‘KHILADI’, as this would amount to achieving indirectly what it could not achieve directly before the Registrar.

The word ‘KHILADI’ is a generic word which translates into ‘Player’ in the English language and has been widely used in a number of films and shows across the Indian film industry and is common to trade. There are more than 40 films and/or shows in various languages which have been produced with the name ‘KHILADI’, and out of these, only two are to the credit of the Plaintiff.

Defendant argued the Plaintiff's claim about the uniqueness of 'Khiladi,' pointing out that Plaintiff registered a device mark, not just the word itself. They argued that Plaintiff had previously claimed exclusivity in the device mark, so they couldn't now claim distinctiveness for the word 'KHILADI. They further argued that 'KHILADI' is a common term, translating to 'Player' in English, used in many Indian films and shows.

Over 40 films or shows have used 'KHILADI,' with only two credited to the Plaintiff. In view of the above contentions, the plaintiff, in rejoinder asserted that there are vast numbers of films produced annually in the Indian film industry and the impossibility of being aware of every upcoming film, especially those in regional languages like the infringing film.

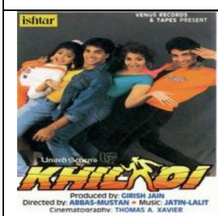
After carefully examining the plaintiff's claims and the defendant's counterarguments, the High Court dismissed the plaintiff's application for interim relief and made several important observations. The court noted that while delay alone might not have defeated a claim, courts have been cautious about granting injunctions when approached belatedly or on the eve of a film's release.

The court also acknowledged the discrepancy in the plaintiff's knowledge of the infringing film's progress and observed that the defendants had claimed their film's announcement was in the public domain since October 2020, while the Plaintiff argued they learned about it through a Hindi trailer in February 2022.

The court criticised the plaintiff for oversimplifying their claims and seeking exclusive rights over 'KHILADI.' The court observed that the plaintiff's comparison in the complaint focused solely on the device mark containing 'KHILADI' rather than considering the device mark as a whole. This was because they realised that the device mark of the Plaintiff and the rival mark were not comparable.

PLAINTIFF'S DEPICTION OF ITS TRADEMARK	DEFENDANT'S DEPICTION OF THE IDENTICAL MARK
	

The court emphasised the paramount importance of conducting a thorough comparison of the marks, highlighting the differences between the marks and supporting the defendant's claim that the plaintiff's rights over "KHILADI" might not have been valid.

PLAINTIFF'S REGISTERED DEVICE MARK	DEFENDANTS' IMPUGNED MARK
	

The court pointed out several crucial issues with the plaintiff's case. The court emphasised the need for a detailed comparison of the marks and brought attention to the defendant's objections regarding omissions during the registration process. These omissions raised doubts about the plaintiff's claim of exclusivity over 'Khiladi' given their earlier stance. The court invoked the principles of prosecution history estoppel and the anti-dissection rule, stating that the withholding of vital information negated the plaintiff's entitlement to an interim injunction. The court cited case laws to support this view and concluded that the plaintiff was not entitled to an interim injunction.

It challenged the plaintiff's claim that 'KHILADI' was the dominant aspect of their trademark, emphasising that most of the plaintiff's registered trademarks are 'device marks,' lacking specific registration for the word 'KHILADI' itself. The court cited a previous case to highlight that registration as a whole doesn't grant exclusive rights to individual words within the mark and that the plaintiff needed to prove distinctiveness through extensive use.

The court noted that 'KHILADI' lacked dominance within the plaintiff's mark due to the presence of other significant elements. It found no deceptive similarity between the rival marks and referred to a case highlighting that literary titles can be protected as trademarks if they've gained secondary meaning.

As a result, the court concluded that the plaintiff failed to establish a case for passing off. It analysed factors such as the differences between the movies, their target audiences, and the commonality of the term 'KHILADI.' Since the plaintiff didn't have a registration for the word 'KHILADI,' and the movies had distinguishing features, the court found it unlikely that moviegoers would be deceived or confused. The court had previously determined that the Plaintiff had failed to establish a prima facie case in its favour, and the balance of convenience had not favoured the Plaintiff. Instead, the balance of convenience had tilted in favour of the Defendants, and it was the Defendants who would have suffered irreparable loss and injury if the injunction had been granted.

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77. Role of Anti-Dissection Rule in the Battle of D'Mart Composite Labels

Case: Dolphin Mart Private Limited vs Avenue Supermarts Limited and Anr. [CS(COMM) 177/2017]

Forum: High Court of Delhi

Order Dated: August 21, 2023

Issue: Whether the use of mark by the defendant is an infringement of mark of the plaintiff?

Judgment: The plaintiff company is part of the Dolphin Group established in the year 1989. It was also put on record that the Dolphin Group Companies are ISO-certified companies, having won many accolades and awards. It was also submitted that the plaintiff company with a glorious journey of more than 25 years has established renowned brands such as d'mart, d'mart Exclusif and Woodmart Exclusif, etc. offering the best products in international home décor, art pieces, corporate gifts, furniture, and furniture accessories.

It was further submitted that the plaintiff had coined and adopted the name "**d'mart**" in 1992 wherein the prefix "**d**" stands for 'Dolphin' representing the trade name of the plaintiff and "mart" symbolising the size of the store. The plaintiff had built various departmental stores all around the world, especially India, and submitted that it has spent crores of rupees in favour of the brand's promotions and advertisement. The plaintiff also stated that its sales increased exponentially over the years and that it was also the owner of various d'mart composite marks in classes 14, 21 and 25.

However, the defendant was engaged in the business of supermarkets with a focus on foods, non-foods (FMCG), general merchandise and apparel products. Further, the plaintiff informed the Court that it came across an advertisement from the defendant for an Initial Public Offering (IPO) for its

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supermarket business under the brand DMART and the trademark . The plaintiff then came across the marks D MART/DMART (device)/D MART MINIMAX applied for registration by the defendant in classes 14, 21 and 25.

The plaintiff contested that on account of its registrations of the d'mart trademarks, the plaintiff acquired statutory rights by virtue of Section 28(1) of the Act to their exclusive use as well as to take action for infringement of the trademarks against third parties under Section 29 of the Act. The defendant's use of an identical mark for identical goods infringes the statutory rights of the plaintiff. However, the defendants vehemently denied the contentions of the plaintiff and stated that the plaintiff could not claim exclusive right over the word "d'mart" *per se* as it has registrations for only composite marks.

Further, the defendant also mentioned that the "Rule of Estoppel" applies to the plaintiff as it had differentiated its mark with another d'mart formative mark in the response to its examination report. The defendant also contended that the plaintiff is not entitled to equitable relief of interim injunction on account of unexplained delay and acquiescence in filing this suit in 2017 as the plaintiff had sent a notice to the sister concern of the defendant in the year 2003 related to the use of the mark and concealed this fact from this Court.

The defendants further argued that the "balance of convenience" lies in their favour as from the year 2003 to 2017, the business of the defendant had grown exponentially, and that grave irreparable harm and injury would be caused to the defendants if they are restrained from using their own unchallenged registered trademarks.

The Hon'ble Court in this case decided on quite a few issues including maintainability of the suit as the defendant contested that trademarks ; and in of the plaintiff were not renewed at the time of filing of this suit and their registrations had lapsed. However, the Court held that upon renewal filed by the plaintiff, the effect of such trademarks would take place since the expiry of the earlier registrations which were prior to the filing of this suit and thus, the suit is maintainable.

Further, on the question of infringement, the Court held that the plaintiff would have to *prima facie* establish that the marks of the plaintiff and defendants are similar/identical and are used for similar/identical goods so as to create a "likelihood of confusion" amongst the public at large. The Court further explained in detail each component of both the marks to show that the two marks are not deceptively similar and that since there is no likelihood of confusion, the plaintiff cannot assert infringement upon the defendants.

It was also stated that it is a well-settled law that a composite trademark is not to be dissected to determine whether there is any deceptive similarity with the impugned trademark, and a comparison has to be made by taking the rival marks as a whole. Further, on the aspect of the "dominant feature" in a composite mark, the Court held that the plaintiff also lacks in this regard as the letter "d" itself cannot be given protection and the word "mart" means market in the English language. It was further held that the plaintiff has registrations for d'mart composite marks but has to date not applied for the registration of the word mark "d'mart" knowing that it is a generic word.

Further, the plaintiff was estopped from asserting right on the word "d'mart" as it itself differentiated its mark from other d'mart formative marks in its reply to the examination report. Further, the Court also adjudged on the issue of passing off and held that from a bare comparison of the rival marks, *prima facie*, there is no deceptive similarity and/or likelihood of confusion between the two. Further, it was observed that the revenue figures of both the parties were vastly different and the goods for which the rival marks were used and the price at which they were sold were also completely different. Lastly, the Court decided that the grant of an interim injunction is dependent on the trinity principles i.e., '*prima facie* case established by the plaintiff', 'balance of convenience' and 'irreparable harm and injury'.

An overall comparison of the facts of the case was made and it was held that the plaintiff failed to establish a *prima facie* case against the defendants. Moreover, the balance of convenience was also not in favour of the plaintiff for multifarious reasons. Further, while deciding if irreparable harm and injury would be caused to the plaintiff, it was held that since the defendants have expanded their business and have exponential sales figures, especially more than the plaintiff in the case, the irreparable harm and injury would be caused to the defendants if an interim injunction is passed against them.

Accordingly, the Court dismissed the application filed by the plaintiff by restricting the interim relief qua infringement of its trademarks , and in classes 14, 21 and 25, respectively. However, the defendants were directed to maintain accounts of sales and file the same on an affidavit once in four months.

78. Luxury Brand Triumphs with Permanent Injunction in Trademark Dispute

Forum: High Court of Delhi

Case No.: Christian Louboutin SAS & Anr. vs M/S The Shoe Boutique – Shutiq [CS(COMM) 583/2023 and I.A. 15884/2023-15889/2023]

Date of Judgment: August 22, 2023

Issues:

(i) Whether ChatGPT searches are permissible as evidence?

(ii) Whether damages and injunction be granted to the plaintiff for an alleged infringement of their trademark?

Judgment: The plaintiff is a Parisian luxury brand of shoes since 1991. They had proved their earned goodwill and reputation to the Court by citing examples of their reference in well-known Hollywood movies and the declaration of their "RED SOLE" mark as a well-known trademark under Section 11(6) of the Trademarks Act, 1999 by citing a precedent case of the Forum Court in Christian Louboutin SAS v. Mr. Pawan Kumar. It was the case of the plaintiff that they had registered as a trademark their 'RED SOLE' mark  that was a defining feature of their product and that the same was found to be identical in almost all of the products of the defendant.

The plaintiff drew a comparison of almost twenty-six of the products of the defendant with that of the plaintiff to prove their point. An added contention was that another distinctive design, that was the 'SPIKED SHOE STYLE' was also copied by the defendant in majority of their products. Since the SPIKED SHOE STYLE as a mark was not registered, the plaintiff, as a proof, displayed a search proof of ChatGPT, asking the question 'Is Christian Louboutin known for spiked mens shoes?' to which the answer was in the affirmative.

However, this was the only evidence relied upon for copying of the alleged well-known design of the SPIKED SHOE STYLE of the plaintiff. The plaintiff prayed to the court for a decree of injunction and for payment of damages.

The Court held that there could not be any doubt about the fact that the products of the defendant were starkly similar to the plaintiff's products. The comparisons drawn by the plaintiff indicated that the defendant had copied the mark of the plaintiff in more than a few of its products. Thus, the Court granted permanent injunction in the present suit and the defendant had also submitted an undertaking of refraining from such future imitations or copying, manufacturing or selling any shoes imitative of the plaintiff's designs.

The Court ordered that on the breach of such undertaking, the defendant would be liable to pay a lumpsum of Rs. 25 lakhs to the plaintiff. The Court also ordered for payment of damages of Rs. 2 lakhs to the plaintiff. The plaintiffs were also ordered a refund of 50% of the court fees.

The Court clarified that the judgment in favour of the defendant did not indicate a monopoly over the SPIKED SHOE design of the plaintiff. The Court dismissed the ChatGPT search report provided by the plaintiff as evidence to prove that the design exclusively belonged to the plaintiff. The Court, gave an instance on its behalf of another search made by the Court asking the question, "Is there any brand known for manufacturing and selling shoes with spikes and studs on the outer body?"

The search result firstly named Christian Louboutin as the most well-known of such brands. However, it also gave the names of some other brands like Jeffrey Campbell and Demonia that specialized in such designs. This way, the Court emphasised that such ChatGPT responses can be manipulated on the basis of the specific questions asked and hence cannot be an adequate tool for assessing whether a brand is well known for a design or not.

AI bots like ChatGPT, in this case, relied upon a host of factors including the nature and structure of query put by the user, the training data etc. The Court indicated a possibility of incorrect responses, fictional case laws, imaginative data etc. that may be generated by AI bots. To say in the least, the source was found to be unreliable.

79. Court Dismisses Cancellation Plea, Upholds 'HARPIC DRAINXPERT' Registration

Case: M/S. RSPL Health Private Limited vs Reckitt And Colman (Overseas) Hygiene Home Ltd. [C.O. (COMM.IPD-TM) 93/2023 & I.A. 3943/2023]

Forum: High Court of Delhi

Order Dated: August 22, 2023

Issues: Whether the mark "HARPIC DRAINXPERT" of the defendant infringes on the marks XPERT word and XPERT device marks of the plaintiff?

Order: The petitioner challenged the registration of the word mark "HARPIC DRAINXPERT" held by the respondent in classes 3 and 5. The petitioner argued that the impugned mark was similar to its earlier trade marks, which were XPERT word and XPERT device marks, and that the similarity between the marks was likely to confuse consumers.

The cancellation primarily relied on Section 11(1)(b) of the Trade Marks Act, which deals with the similarity of trademarks and the likelihood of confusion arising from such similarity. The petitioner argued that the impugned mark "HARPIC DRAINXPERT" is similar to the petitioner's earlier trade marks. It was asserted that the similarity in the marks and the goods they cover has led to confusion or association between the two marks, which renders the impugned marks ineligible for registration.

The court identified three pivotal criteria, as per Section 11(1)(b), that would render a trade mark ineligible for registration: similarity between the marks, identity or similarity of the goods or services, and a likelihood of confusion or association among the public.

The court compared the petitioner's earlier trade marks XPERT word and XPERT device marks with the respondent's "HARPIC DRAINXPERT." The petitioner argued that "XPERT" is the dominant part of both marks. However, the Court rejected this argument, stating that the dominant part of the impugned mark is "HARPIC," and the similarity between the marks is not substantial. The court pointed out that the principle of similarity should not be stretched to an unreasonable extent.

The court held out that the word "XPERT" is only half of the second word of the respondent's mark and that if one were to ignore the first part of the word "DRAINXPERT", then the two marks would become alike. However, the court held that this would be unreasonable, as it would require one to ignore a significant part of the respondent's mark.

The Court emphasised that the key question is whether the two marks are likely to confuse the public. It dismissed the argument that the public would confuse the two marks due to the presence of "XPERT" in both. Accordingly, the court dismissed the cancellation petitions. This decision highlights the imperative principle that the concept of trademark similarity should not be stretched beyond reasonable bounds, reaffirming a delicate balance between safeguarding trademarks and preserving healthy competition.

80. Phonetic Similarity in Trademark Disputes

Case: Elyon Pharmaceuticals Pvt. Ltd. vs The Registrar of Trademarks [C.A.(COMM.IPD-TM) 153/2021]

Forum: High Court of Delhi

Order Dated: August 23, 2023

Issues: Whether the rejection of the application by trademark office on the basis that the mark ELMENTIN is similar to the earlier trademark ELEMENTAL was valid?

Judgment: The appellant, Elyon Pharmaceuticals, had applied to register the trademark ELMENTIN for a pharmaceutical composition of amoxicillin and clavulanic acid. The Trade Marks Registry rejected the appellant's trade mark application on the grounds that the mark ELMENTIN is similar to the earlier trademark ELEMENTAL.

The appellant challenged the rejection before the Delhi High Court and argued that the two trademarks were not phonetically similar. The court agreed with the appellant, finding that the syllables of the two trademarks were different and that the overall phonetic impression of the two marks was also different.

The court noted that the term ELEMENTAL was a commonly used adjective, while ELMENTIN was a newly coined word. The court held that the mark ELMENTIN is meaningless and, therefore, an arbitrary and coined word and is entitled to additional trade mark protection.

The court held that the mark ELMENTIN contains three syllables phonetically, while ELEMENTAL has four. The Court highlighted the importance of these distinctions in the context of trademark law.

Additionally, the court noted the lack of information regarding whether the pharmaceutical formulation associated with the product registered under the name ELEMENTAL corresponds to that for which the plaintiff is pursuing registration under the mark "ELMENTIN".

Since the present case is an appeal against the rejection decision based on an earlier mark cited by the Registry, which lacked specific particulars regarding the actual pharmaceutical composition, the court took note of this informational gap. If the two parties are dealing with distinct compositions, the court noted that this information could serve as an added mitigating element, dispelling any potential likelihood of confusion among the public.

81. Defendants' Rights Better Balanced in Interim Injunctions

Case: Silvermaple Healthcare Services Private Limited vs. Dr Ajay Dubey [CS(COMM) 570/2023, I.A. 15595/2023 & I.A. 15596/2023]

Forum: High Court of Delhi

Order Dated: August 24, 2023

Issue: Whether, pending a decision on the interim injunction application, any ad interim directions are required to be issued?

Judgment: The case revolved around a dermatologist Defendant, who was employed by Silvermaple Healthcare Services Private Limited, Plaintiff. The defendant's employment was administered by a Non-Competitional Confidentiality Agreement dated September 19, 2011. The agreement included clauses that restricted Defendant from disclosing confidential information, engaging in competing businesses, and soliciting employees and clients for a specific period after the termination of his employment.

In September 2022, Defendant gave his resignation from Plaintiff's employment and subsequently established his clinic, Evolved Hair Restoration India, offering hair transplant services employing a technique named "Direct Follicle Insertion" (DFI). The plaintiff alleged that Defendants contravened the stipulations of the agreement by actively soliciting their employees and clients, infringing upon the plaintiff's registered trademarks, and disseminating derogatory remarks concerning the plaintiff.

The case involved several issues, such as whether the defendant breached a confidentiality agreement by disclosing confidential information and engaging in competing business and whether the use of "DFI" by the defendant constitutes trademark infringement on the plaintiffs' "DHI" trademarks.

The court only went to examine whether, pending a decision on the interim injunction application, any ad interim directions are or are not required to be issued. The court made a reference to a recent Division Bench order dated August 21, 2023, in Dabur India Ltd v. Emami Ltd that underscored the necessity of affording defendants the opportunity to respond before an interim injunction is issued in matters pertaining to intellectual property rights. The court discussed Wander Ltd vs. Antox (India) Pvt Ltd to highlight the importance of distinguishing between defendants already entrenched in the market and those yet to enter it. The court emphasised that interlocutory injunctions are designed to safeguard plaintiffs against rights infringements that cannot be adequately remedied via damages. In instances where the defendant has an established market presence, accordingly, an opportunity for a response is deemed essential.

The court, while referring to the Division Bench Order, highlighted the pivotal role played by the timing of the suit presentation and the defendant's prior use of the contested mark in determining whether an interim injunction should be granted. In cases where the defendant had used the mark prior to the plaintiff filing the suit, the defendant must be given an opportunity to respond to the injunction application.

The court noted that as the defendant had been using the impugned “DFI” mark for some time, following division bench order, the defendants would be entitled to file a response to the prayer for an injunction against the use of the “DFI” mark.

The court also addressed various concerns raised by the plaintiffs against the defendants, with many issues being temporarily resolved as the defendants removed problematic content from their social media and committed not to criticise the plaintiffs or their techniques online. Additionally, the court acknowledged that some statements on the defendant's website might not necessarily harm the plaintiffs. However, more intricate matters, such as alleged breaches of agreements and competition in the Delhi NCR region, demand further scrutiny and arguments. The court refrained from delivering final judgments at this stage, emphasising the necessity for a comprehensive examination of evidence and legal arguments before issuing any interim orders.

82. No Question of Condonation of Delay in Filing Replication Under Rule 5 in Chapter VII of the Original Side Rules: Delhi High Court

Case: Atlantech Online Services Pvt. Ltd. & Anr. vs Google India Pvt. Ltd. & Anr. [CS(COMM) 647/2021]

Forum: High Court of Delhi

Judgment Dated: August 29, 2023

Issue: Whether the petitioner's application for condonation of delay in filing and refiling a replication to the written statement, as per Rule 5 of Chapter VII of the Rules, could be allowed?

Judgment: In accordance with Rule 5, the original period of filing a replication by the Petitioner to a written statement of the defendant is 30 days from the date of receipt of the Written statement, which may be extended up to a maximum period of 15 days, with the total period for filing a replication being 45 days.

The Petitioner, by way of an application, was seeking the condonation of delay of 90 days in filing and 97 days in refiling the replication to the Written statement filed on behalf of one of the defendants.

The procedural rules are always subservient to the ultimate objective of justice. The language adopted by the draftsman of processual law may be liberal or stringent. Still, the fact remains that the object of the prescribing procedure is to simplify the cause of advancing justice. In a process involving conflict or opposition, none of the parties in a dispute should be denied the opportunity to participate in the process of justice dispensation.

Unlike Rule 4 of the High Court Rules, which states that 'In case no written statement is filed within the extended time also, the Registrar may pass orders for closing the right to file the written statement', no such discretion was vested in the Registrar or the Court by Rule 5 of the Rules. No such rigorous language has been used in Rule 5. It mandates the Registrar to place the matter for appropriate order(s) before the Court forthwith. This difference in the language used cannot also be said to be without any purpose. In support of the above contention, the Counsel for the Petitioner placed reliance upon Para 29 of the judgment of the High Court of Delhi in the matter of Amarendra Dhari Singh v. R.C. Nursery Pvt. Ltd [2023 SCC OnLine Del 84: 2023 AIR CC 1068].

Upon a bare perusal of the provision, the Hon'ble Court could construe that the law is worded in a negative/punitive manner. The opening sentence of the Rule makes it clear that even in exceptional and unavoidable circumstances, the time for filing a replication may be extended only up to 15 days beyond the original period of 30 days. The Rule proceeds to clarify that even the extension beyond the original period shall be subject to cost; if the costs as decided by the Court are not paid, the replication would not be taken on record.

The Rule proceeds with the phrase ‘but not thereafter’ used in Rule 5, making it abundantly clear that the provision is mandatory in nature, and the Court cannot permit the replication to be taken on the record after the plaintiff has exhausted the maximum prescribed period of 45 days.

As far as the judgment relied upon by the counsel for the Petitioner in the matter of Amarendra Dhari Singh deals with Rule 4, which empowers the Registrar to close the right to file the written statement, no such discretion is available under Rule 5, which specifically closes the right with the words “but not thereafter”, therefore, in no manner the relied upon judgment dilutes the ruling of the judgment of the Delhi High Court in the matter of Ram Sarup Lugani [2020 SCC OnLine Del 1353: 2021 AIR CC 917] which held that the Court could not extend the period for filing the replication beyond the outer limit of 45 days as mandated in the Rules. Upon expiry of the said period, the plaintiff’s right to file the replication would stand extinguished.

Further, the present case deals with Rule 5 of Chapter VII of the Rules and not Rule 4. Therefore, the judgment in Ram Sarup Lugani concerning Rule 5 shall remain binding upon this bench.

The judgment has clarified that unlike Rule 4, which directs the Registrar to close the right to file a written statement once the statutory period is exhausted, Rule 5 provides for no such discretion to the Registrar. Yet the wording of the provision makes it clear that once the original period of 30 days of filing a replication is exhausted, the courts can only extend the period for filing the same for 15 days, which shall also be subject to cost as deemed appropriate by the Court. Under no circumstances can the outer limit of 45 days be extended to any further period, as no such discretion is available with the Registrar or the Court under Rule 5.

83. Delhi High Court Rules in Favour of Reddy's Laboratories on Use of the Mark RAZOFAST by Fast Cure Pharma

Case: Dr. Reddy’s Laboratories Ltd vs Fast Cure Pharma [C.O. (COMM.IPD-TM) 8/2023]

Forum: High Court of Delhi

Order Dated: September 4, 2023

Issue: Whether there was a case of infringement and passing off against the defendant and in the favour of the plaintiff for its RAZO' and 'RAZO-D' marks?

Order:

The plaintiff holds valid and subsisting trademark registrations for ‘RAZO' and 'RAZO-D' marks under registration numbers 1320974, 2336815 and 2370917 in class 5. The plaintiff had come to know about the use of the defendant’s mark RAZOFAST for manufacturing, marketing, and selling of rabeprazole tablets towards the second week of August 2021. The plaintiff had contended that the defendant was attempting to capitalise on the plaintiff's goodwill by creating an association with the plaintiff's product by adding the suffix 'Fast', which implies faster relief. It was further alleged that the overall trade dress adopted by the defendant would enhance the possibility of confusion between the marks of the defendant and the plaintiff.

Despite service of the summons and issuance of interlocutory injunction, the defendant never appeared before the court to contest the case. The court considered the plaintiff's assertions as admitted. The court observed that the triple identity test stands satisfied in the present case. The plaintiff’s mark ‘RAZO’, used since 2002 was an inventive and arbitrary mark in reference to the Active Pharmaceutical Ingredient rabeprazole and was wholly contained in the defendant’s mark.

The products of the defendant and the plaintiff were the same, i.e., rabeprazole. They were also available through the same sources and catering to the same consumer base. The court further noted that the use of

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RAZO as a prefix indicates the intention of the defendant to ride on the goodwill and reputation of the plaintiff and pass off its product as that of the plaintiff.

The court finally noted that a clear case of infringement and passing off was made by the plaintiff and decreed the suit in favour of the plaintiff, restraining the defendant as well as all others acting on their behalf, permanently, from manufacturing, marketing, supplying, selling and offering for sale medicinal and pharmaceutical preparations under the trademark RAZOFAST or any other mark identical or deceptively similar to the plaintiff's mark RAZO amounting to infringement and passing off. The court further allowed costs for the plaintiff and directed the matter to be presented before a Taxation Officer to ascertain the amount of costs.

84. Monster Energy Secures Permanent Injunction on Infringing Use of Trademark

Case: Monster Energy Co. vs Vineet Deshwal [CS(COMM) 118/2022 & I.A. 16998/2023]

Forum: High Court of Delhi

Order Dated: September 4, 2023

Issue: Whether the use of mark MONSTER by the defendant is infringing the mark MONSTER of the plaintiff?

Order: This case was filed by the Plaintiff (Monster Energy Co.) seeking an injunction against the Defendant (Vineet Deshwal trading as RADHA KRISHNA ENTERPRISES) for the use of the identical mark 'MONSTER', with an identical logo MONSTER, as well as a deceptively similar device mark MONSTER.

Plaintiff is a well-known energy drink company domestically and internationally. The plaintiff is packing and selling energy drinks and energy beverages under its various registered trademarks, namely 'MONSTER', MONSTER, , MONSTER ENERGY, 'MONSTER ENERGY, etc. The plaintiff also carried out its operations through the websites www.monsterenergy.com, www.monsterbevcorp.com and www.monsterarmy.com. These websites prominently feature the mark MONSTER of the plaintiff. The plaint also provides the earnings of the plaintiff by use of the mark MONSTER which, during the year 2020

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alone is to the tune of $ 10 million. The plaintiff was aggrieved by the use, by the defendant, of the identical mark MONSTER, with an identical logo , as well as a deceptively similar device mark , whereunder the defendant has been selling sportswear, sports apparels, and associated products.

The Plaintiff submitted that the defendant's products were not products which can be regarded as inexpensive, as they were sportswear and sports equipment. Besides, Plaintiff pointed out that, with clear dishonesty, the defendant had applied for registration of the mark with the Registry of Trademarks on 5 July 2019 on a proposed to-be-used basis.

On February 18, 2022, the Delhi High Court issued ex parte interlocutory orders, thereby restraining the defendant from engaging in the sale, offering for sale, manufacturing, advertising, importing, exporting, or any commercial activity involving products bearing the trademark MONSTER (in its literal form) or any stylised representation thereof, including the Claw Icon, or any mark that resembles or is deceptively similar to the plaintiff's trademarks, logos, or trade name. This restraint was enacted in response to concerns of trademark infringement and passing off goods.

Considering these concerns, the Court appointed a local Commissioner to visit the defendant's premises and execute search and seizure operations. The subsequent report from the local Commissioner indicated the discovery and confiscation of 145 articles bearing infringing marks within the defendant's premises. It was evident that the defendant had replicated the registered trademark of the plaintiff, both in its word and device form. The mere addition of a figure above the word in the defendant's mark did not diminish the fact of infringement or the defendant's clear intent to mislead consumers into believing their products were associated with the plaintiff.

The Court determined that the word "MONSTER" represented the most prominent and dominant aspect of the contested mark. An average customer, possessing reasonable intelligence and imperfect memory, who was aware of the plaintiff's mark and subsequently encountered the defendant's mark, would reasonably perceive both as originating from the same source, with the addition of a monster figure merely serving as ornamentation.

Consequently, this Court issued a permanent injunction prohibiting the defendant from engaging in the sale, offering for sale, manufacturing, advertising, importing, exporting, or any commercial activity related to goods bearing the trademark MONSTER (in its literal form) or any stylised representation thereof, including the Claw Icon, or any mark that is identical or deceptively similar to the plaintiff's MONSTER trademarks, logos, or trade name. Given the defendant's clear intent to copy the plaintiff's mark and pass off their products as the plaintiff's, it was deemed inappropriate to grant unconditional relief to the defendant.

The Court concurred with the plaintiff's legal counsel regarding the defendant's assertion of earning a mere Rs. 600 per day, finding it implausible, particularly considering the defendant's prior online sales of sportswear and sports goods using the contested mark, including on platforms like Flipkart. Therefore, the Court ordered the defendant to pay punitive costs to the plaintiff, amounting to Rs. 1,00,000. Furthermore, based on this ruling, the Register of Trademarks was ordered to proceed to address the application for the registration of the mark as 'not pressed.'

85. Delhi High Court Grants Permanent Injunction to Living Media India for "Aaj Tak" Mark

Case: Living Media India Ltd. vs Aabtak Channel.com (John Does) and Ors. [CS(COMM) 193/2022 & I.A. 4841/2022]

Forum: High Court of Delhi

Order Dated: September 6, 2023

Issue: *Whether the trademark of the Plaintiff was being infringed upon by the Defendants?*

Order: The plaintiff Living Media India Limited, is the holder of the registered trademark 'AAJ TAK, widely recognised and extensively used in the field of media and telecommunications. The Plaintiff has established numerous profiles and accounts on social media and content-sharing platforms such as Facebook, Twitter, YouTube, Instagram, and others, amassing a substantial number of subscribers.

The Plaintiffs became aware of various known and unknown entities utilising the Plaintiff's 'AAJ TAK' trademark on online platforms, including Facebook, Twitter, and Instagram. It was alleged that some of these entities posted videos using the trademark, either extracted from the 'AAJ TAK' symbol or emphasising the word 'TAK' as an addition.

The Defendants in this case were unidentified websites, YouTube channels, online entertainment pages, virtual entertainment handles, and web-based entertainment accounts that were allegedly infringing on Plaintiff's registered trademark unlawfully and without authorisation using their mark.

Plaintiff contended that the widespread use of the 'AAJ TAK' mark on various online platforms constituted a severe infringement of Plaintiff's mark and adversely affected Plaintiff's rights as the legitimate trademark owner.

The Plaintiff asserted its well-known status in the Indian television, media, and entertainment sector, emphasising that such infringement would harm Plaintiff's established goodwill and brand name.

On the other hand, Twitter and Google, among the Defendants, argued that they were merely intermediaries and, upon the order of the Delhi High Court, would remove the contested posts, profiles, or records.

The High Court was prima facie convinced that a case had been established for the grant of an ad-interim injunction against certain Defendants. The High Court conducted a detailed examination of the various contested marks and compared them to the Plaintiff's marks.

After considering the complaint, the allegations made therein, and the records submitted, the High Court affirmed the reputation and goodwill of the Plaintiff's brand, which had been a household name in India for years.

The High Court noted that the suffix 'TAK' was also used by the Plaintiffs in connection with various projects and web-based entertainment profiles and handles, and as such, the Plaintiff's rights needed protection.

Regarding unidentified Defendants referred to as John Does, the High Court ruled that wherever the 'AAJ TAK' mark is identically used on online platforms like Twitter, Facebook, Instagram, or in any other videos, it should be removed within 36 working hours upon notice, including the respective URLs.

The High Court further held that in the case of deceptive or similar logos or marks where either the word 'AAJ' or 'TAK' is incorporated, the respective virtual platform should remove the respective page, video, or post within a 36-hour timeframe, in accordance with the provisions of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. In cases where platforms do not remove the content within the specified timeframe, the High Court stated that notice would be provided to the Plaintiffs, allowing them to seek remedies in accordance with the relevant regulations.

86. Supreme Court Prioritises Expedited Trials Over Interim Orders in the "PRIDE" Trademark Dispute

Case: Pernod Ricard India Private Limited vs United Spirits Limited [Petition(s) for Special Leave to Appeal (C) No(s). 17674/2023]

Forum: The Supreme Court of India

Order Dated: September 6, 2023

Issue: Whether there was a case of trademark infringement and passing-off against the defendant for the plaintiff's "Blenders Pride" and "Royal Challenger American Pride" marks?

Order:

Pernod Ricard India alleged that United Spirits' use of the word "Pride" in their "Royal Challenger American Pride" brand was likely to cause confusion and deceive consumers. To address this alleged infringement, Pernod Ricard initially filed a suit for infringement and passing off before the District Court of Mohali. However, the District Court's order, dated January 17, 2022, declined the interim injunction sought by Pernod Ricard. Pernod Ricard then appealed this order to the Punjab and Haryana High Court, but their appeal met the same fate, with the High Court's decision, dated March 21, 2023, upholding the District Court's ruling.

Before reaching the Supreme Court, the case was heard in the High Court of Punjab and Haryana. In its decision, the High Court dismissed Pernod Ricard's appeal, ruling that the two trademarks, "Blenders Pride" and "Royal Challenger American Pride," were not similar enough to create consumer confusion. While delivering judgment, the High Court referred to Sections 15 and 17 of the Trade Marks Act, which explains that for a part of a trademark to be considered infringed, it must be registered separately. In this case, the Pernod Ricard obtained the trademark registration for "Blenders Pride." As "Pride" was not registered independently, Pernod Ricard's argument of infringement solely based on the common word "Pride" was not accepted.

The court also emphasised the difference between opposing a trademark and seeking its cancellation. Opposition can only be raised while a trademark application is pending, allowing objections to be filed during the application process. In contrast, cancellation applies to already approved and registered trademarks. The court dismissed the argument that filing for cancellation should be treated as opposition, as they operate in distinct legal spheres.

The High Court found the passing off claim unconvincing, emphasising that using a single word, "Pride", was unlikely to confuse the minds of consumers, especially given the established reputation of both companies. Therefore, the court rejected the Pernod Ricard's claim that they would suffer irreparable loss, which could not be compensated monetarily. On the balance of convenience, the court noted that both companies were well-reputed competitors in the liquor industry. Granting interim relief to the Pernod Ricard would disrupt the open market and potentially lead to monopolistic trade activity.

The Supreme Court, after hearing both parties, held that the impugned orders, which were made to determine interim arrangements pending the suit, cannot in any way influence the final determination of the suit. The Court, therefore, declined to interfere with the orders. The Court noted that the suit had been pending for almost three years and that even the issues had not yet been framed. The Court directed the trial court to expedite the proceedings and complete the trial within six months.

The Court clarified that decisions on interlocutory applications are made only to protect the interests of the parties pending the suit. The Court emphasised that the trial should proceed expeditiously rather than spending time on interlocutory applications. This will protect the petitioner from the apprehension that the impugned judgment may be cited in other courts in cases of a similar nature. The Court also mentioned that the trial court would not be influenced by the observations made at the interlocutory stage, whether by the trial court or the High Court when making its final decision based on the evidence recorded.

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87. Delhi High Court Ruling on the Remedy of Letters Patent Appeal Against the Decision of a Single Judge

Case: Promoshirt SM SA vs Armassuisse and Anr. [LPA 136/2023 and CM APPL. 8810/2023(Stay) and CM APPL. 8811/2023(Summoning of Complete Record) and CM APPL. 8813/2023(Addl. Document) and CM APPL. 14104/2023 (Addl. Document)]

Forum: High Court of Delhi

Order Dated: September 6, 2023

Issue: Whether the Letters Patent Appeals filed by the appellant be maintainable under Section 100A of the Code of Civil Procedure?

Order:

The appellant Promoshirt SM SA. had filed the Letters Patent Appeals against the judgment dated January 4, 2023, of the Single Judge of the Delhi High Court. The Single Judge, while hearing an appeal against the order dated July 25, 2022, of the Deputy Registrar of Trademarks, had refused to register trademark applications for composite label and wordmark of Promoshirt SM SA. for textile goods. The respondent took the preliminary objection on the maintainability of the Letters Patent Appeals and submitted that the same would not be maintainable under Section 100A of the Code of Civil Procedure.

The respondent argued that no further appeal against an order or decree of the learned Single Judge would lie under Section 100A of the Code of Civil Procedure as the learned Single Judge exercised appellate jurisdiction. The respondent argued that the language of Section 100A of the Code of Civil Procedure was unambiguous, and the Section was ordained to override anything to the contrary contained in any Letters Patent of any High Court or, for that matter, any instrument having the force of law or any other law for the time being in force. The respondent argued that Section 100A demonstrates the intent of the Legislature of taking away the right of a further appeal against a judgment or an order rendered by a Single Judge by way of Letters Patent.

The appellant argued that Section 100A bars an intra-court appeal when the same is taken against an order or a decree pronounced by a Single Judge in its original or appellate jurisdiction. The appellant contended that the bar under Section 100A would be applicable only when a Single Judge had exercised its appellate jurisdiction in respect of a decree or an order. It was contended that Section 100A would be applicable depending upon whether the appellate jurisdiction exercised by a Single Judge was concerning 'order' as defined under the Code of Civil Procedure. It was argued that the Single Judge had considered an appeal against an order passed by the Registrar under the Trade Marks Act, 1999, and the Registrar under the Trade Marks Act 1999 cannot be said to have acted as a Civil Court.

The Court ruling in favour of the appellant rejected the preliminary objection raised by the respondent. The Court observed that the Letters Patent Appeal remedy would not be barred by Section 100A of the Code of Civil Procedure as Section 91 of the Trade Marks Act, 1999 does not mandate that appeals would be subject to or be governed by the provisions of the Code of Civil Procedure as was stated in Section 76(3) of the Trade Marks Act 1940 or Section 109(8) of the Trade Marks Act, 1958. The Court noted that 'In the absence of any such provision either regulating or restricting the right of appeal in Section 91 of the 1999 TM Act, the LPA remedy would not be barred by Section 100A of the Code and would be applicable.'

The Court further observed that Section 100A of the Code of Civil Procedure would be confined to a second appeal preferred against a judgment of a Single Judge exercising appellate powers provided it pertained to a decree or order as defined by the Code. It was observed that such a bar on the filing of a second appeal would only operate where the decree or order against which the appeal was preferred before the Single Judge was of a Civil Court. The Court, placing reliance on Anglo-French Drug Co. and Khoday Distilleries, which had laid down the test of "trappings of a court", also opined that the Registrar of Trade Marks is not a Civil Court, even though some of the powers that are available with a Civil Court may be exercised by it, the same would not make it a Civil Court.

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88. Delhi High Court Holds "Actual and Continuous Use" Necessary to Claim Trademark Protection

Case: Trustees of Princeton University vs The Vagdevi Educational Society and Ors. [CS(COMM) 270/2022, I.A. 6494/2022]

Forum: High Court of Delhi

Order Dated: September 6, 2023

Issue: Whether the defendants are liable for infringement by using the plaintiff's mark "PRINCETON" as part of the name of the educational institutions run by it, as part of its domain name princetonschoolofeducation.com, and as part of the logos/emblems of its various institutions?

Order:

The plaintiff, i.e., Princeton University, instituted a Suit through its trustees, against the Vagdevi Educational Society, headquartered in Hyderabad, which runs the Princeton School of Education, Princeton School of Engineering and Technology, Princeton Degree and PG College, Princeton PG College of Information Technology, Princeton PG College of Management and Princeton College of Pharmacy in Telangana, seeking a decree of permanent injunction, restraining Defendants from using any mark which includes "PRINCETON" for the services provided in its institutions or any other manner as would infringe plaintiff's registered trademarks or result in passing off of Defendants' services as those of plaintiff.

Plaintiff is a member of the prestigious Ivy League Schools of Higher Education in the United States, having close to 1300 faculty members, including personages of higher renown and repute, some of whom are Nobel laureates. The plaintiff is educating over 5,200 undergraduate and over 2,900 graduate students.

Plaintiff alleged that by using the mark "PRINCETON" as part of the name of the educational institutions run by it, as part of its domain name princetonschoolofeducation.com, and as part of the logos/emblems of its various institutions, Defendants have infringed the registered trademarks of plaintiff and has also sought to pass off the services provided in its institutions as services provided by plaintiff or associated with it.

Plaintiff claimed actual use of the "Princeton" mark since 1911 in India, as opposed to the user claimed by Defendants, i.e., 1991. and backed its contention with several newspaper articles mentioning their name. It also contended that it had offered various fellowships to Indian students and has tied up with many Indian educational institutions.

On the other hand, Defendants argued that logos of Plaintiff- and Defendants- . Defendants posited that the logos of Plaintiff and Defendants are distinct and that there is no commonality between the consumers of plaintiff and those of defendant's, thus, rendering any confusion impossible.

The defendants further argued that the plaintiff is estopped from seeking any injunctive relief against the Defendants on the principle of acquiescence by conduct as, despite knowledge of the defendants' institutions, the plaintiff permitted the Defendants to build up their activities to the point where the Defendants have been using the impugned PRINCETON mark for 30 years.

As regards the user claimed by the plaintiff, i.e., since the year 1911, Defendants argued that the plaintiff, in its affidavit of user filed along with the Trademark Application dated September 28, 2012, seeking registration of the mark "PRINCETON" has pleaded user since April 30, 1996. Plaintiff, relying upon Section 34 of The Trademarks Act, contended that the plaintiff must restrict its earliest claim of the user to the declaration of the user filed along with its Trademark Application, i.e., April 30, 1996. Further, the documents relied upon by the plaintiff for demonstrating the use of the PRINCETON mark do not constitute commercial use of the mark by it in India.

In rebuttal, the plaintiff argued that the claim of the user could not be regarded as sanctified or final, as it was rectifiable under Section 58 of the

Act. He further argued that the expression “use” in Section 34 must be interpreted in the light of Section 2(2)(c)(ii) of the Act, which envisages actual use.

The Hon’ble Court rejected the plea of the plaintiff for the grant of ex-parte ad-interim injunction against the defendants for the following reasons-

The Court observed that Section 34 immunises an infringing Defendant from interference by the plaintiff, with his use of the infringing mark, if the defendant can establish that he has continuously used the infringing mark from a date prior both to the (i) date of registration of plaintiff's mark as well as to the (ii) use of plaintiff's mark, in relation to those goods or services, by the plaintiff or his predecessor in title. The Court observed that undisputedly, Defendants’ use of the impugned mark PRINCETON is prior, in point of time, to the date of registration of the plaintiff's marks, which is September 28, 2012.

As regards the second condition envisaged under Section 34, the Court agreed with the submissions of the plaintiff that when examining Section 34 of the Act, the use of the mark must be in terms of Section 2(2)(c) of the Act. However, the Court noted that the plaintiff had not placed on record any material indicating any statement by it about the "availability, provision or performance of the services provided by it accessible in India before 1991", which was the year when Defendants started using the PRINCETON mark. The Court observed that all the material relied upon by the plaintiff in support of its user claim is entirely in the form of newspaper articles, which does not constitute the use of the mark.

Thus, the Court further observed that there is no evidence of continuous use by the plaintiff of the "Princeton" mark before the year 1991, which was the date of "first use" by the defendant of the "Princeton" mark.

The Court held that the plaintiff has failed to establish a case of passing off. The Court held that in the present case, the possibility of confusion or deception, whether for infringement or passing off, has, therefore, to be examined from the point of view of a student and not the average person. The Court observed that the plaintiff is, today, arguably the foremost higher educational institution in the world and provides no services outside the USA; on the other hand, the defendants' institutions are situated entirely within the State of Telangana and do not even have any branch outside the said state. No student or person interested in the services provided either by the plaintiff or defendants is likely to be confused between the two merely because of the use, by the defendants, of PRINCETON as part of the name of the defendants' institutions.

The Court, while rejecting the plea of the plaintiff, observed that Defendants have been using their mark, admittedly, since 1991, and the present suit has been instituted by the plaintiff only in 2022. The defendants provide educational services and have been providing the said services, under the impugned marks, for close to three decades as of date. Further, the Court noted that the plaintiff failed to put forth any argument to establish that they have suffered an irreparable loss due to the use of the Princeton mark by the defendant for seeking an interim order.

89. Determining the Date of Use is Paramount to Prove Passing Off and Trademark Infringement

Case: Appolo Burn Hospital vs Apollo Hospitals Enterprises Ltd. [A. Nos. 2890 & 2892 of 2023; O.A. Nos. 183 & 184 of 2023; C.S. (Comm Div). No. 54 of 2023]

Forum: High Court of Madras

Judgment Date: September 7, 2023

Issues:

- Whether adopting the respondent's mark, the applicant has infringed the respondent's mark and is passing off his hospital as that of the respondent by adopting the name "APPOLO"?
- Whether, despite knowing the fact that the applicant is running a hospital in the name of Appolo Burn Hospital, the respondent has not taken immediate steps to file the suit to prevent the infringement/passing off?
- Whether the appellant had acted malafide in adopting the name Appollo?

Judgment:

The dispute that gave birth to the current conflict was brought by the Plaintiff, who also serves as the owner and manager of the renowned Apollo Hospitals chain of hospitals. The Plaintiff filed a lawsuit, saying that the Defendant had violated his or her trademark. The Plaintiff's claim that they had registered numerous trademarks and trade names with the Trademark Registry, all of which contained the term "Apollo," was at the foundation of the case. These registrations were made between 2007 and 2020, and the plaintiff asserts that they have been using the mark since at least 1979. Crucially, on August 30, 2022, a patient of the Defendant's facility, Appolo

Burn Hospital, sent an email to the Plaintiff. This email prompted the Plaintiff to take legal action.

The court addressed each of the given issues specifically and henceforth laid down its judgement as follows:

1. While answering the first issue, the court emphasised that even though the respondent has obtained several registrations in respect of several marks, a perusal of documents clearly indicated that the first application was made only in the year 2007. The contention of the respondent that they have used the mark since 1979 was found to be strange when it was already known that the company was incorporated only in the month of December 1979. Therefore, this statement appeared incorrect to the court, and it concluded that the fact that a company which had been incorporated in 1979 chose to have its trademark registered in the year 2007 and with a user detail of "proposed to be used" would only go to show that it is only around that time that the respondent's trademark had gained popularity. Further, in the opinion of the court, the documents filed by the respondent showed that the respondent took only baby steps in the year 1983. The annual report for the year 2021, which was filed as their third document, which contained the message of the Executive Chairman, sets out that for 40 years they had been in the business of health care, which clearly confirmed that the start of business can be traced back to the year 1983. It is also pertinent to note here that the applicant's hospital was set up and was functional much prior to the respondent's trademark being registered, and hence, the applicant, in his own way, carved a niche for himself in treating burn victims only, unlike the respondent, who had a varied area of specialisation. Therefore, prima facie, no case for infringement of trademark arose. In order to constitute infringement, the respondent had to prove that the adoption of its mark by the applicants was mala fide and that the applicant was trying to cash in on the respondent's name.

2. The second contention therein was related to the question of acquiescence, considering which the court opined that the respondent had set up these Hospitals in and around the years 2009

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– 2011 at Patna, and therefore, there was a presumption that they had knowledge about the functioning of the applicant's Hospital since 2009. By not initiating any legal proceedings against the applicant, the respondent had acquiesced to their usage of the name Appolo Burn Hospital. The hospitals of the respondent are situated just a few kilometres away from the applicant's Hospital, and being in the same sphere of service, the respondent cannot contend that they have not come across the applicant's Hospital. The respondent had set up its first Hospital in Bihar in the year 2009 and three Hospitals have been set up by 2011. Therefore, the applicant had prima facie discharged his onus of proof about the knowledge of the existence of their hospital by the respondent. The cause of action which, according to the respondent, catapulted them to approach this Court is an alleged e-mail which was sent by the applicant's patient, which had fallen into the e-mail address of the respondent. Suffice it to state that when the respondent had opened three Hospitals in and around the applicant's Hospital between the years 2009 and 2011, their contention that they had come to know about the existence of the applicant's Hospital only in the year 2023 before the filing of the suit appeared to be farfetched. The respondent was not able to set out the reasons as to why they have approached this Court belatedly. The court cited the relevant paragraphs of the judgements in the cases of 1963 (2) SCR 484 – Amritdhara Pharmacy Vs. Satya Deo Gupta and 2009-1-LW 472 – Khoday India Limited Vs. Scotch Whisky Association, to support the issue at hand.

3. Lastly, while addressing the third issue, the court said that as it was already submitted, in the instant case, even as early as the year 2009, the respondent had set up a hospital close to the Hospital of the applicant and therefore, knowledge can be imputed on the respondent. Further, the applicant had bonafidely and with honest intention adopted the name Appolo Burn Hospital in the year 1992 itself. The court cited the relevant paragraphs of the judgements in the cases of 1994 (2) SCC 448 – Power Control Appliances and others Vs. Sumeet Machines Pvt. Ltd., 2019 (80) PTC 275 (Del) – Max Healthcare Institute Ltd., Vs. Sahrudya Health Care Pvt. Ltd., to support the issue at hand.

Finally, the court laid down that the respondent did not make out a prima facie case for the grant of an injunction against the applicant, and therefore, the applications filed by the applicant/defendant were allowed, and consequently, those filed by the respondent were dismissed.

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90. Court's Decision to Suo Motu Examine Registered Trademark

Case: Nadeem Majid Oomerbhoy vs Sh. Gautam Tank And Ors [CS(COMM) 361/2018, I.A. 4575/2005 & I.A. 16151/2023]

Forum: High Court of Delhi

Order Dated: September 11, 2023

Issue: Whether the defendants were infringing upon the plaintiff's registered trademark "POSTMAN" by using the similar mark "SUPER POSTMAN"?

Order: The plaintiff filed a suit alleging that the defendants were infringing upon his registered trademark "POSTMAN" by using the similar mark "SUPER POSTMAN". What complicated the case was that the defendants had applied for the registration of the "SUPER POSTMAN" mark in 2004, and it had remained pending for a very long time before finally being granted registration on February 13, 2023.

Upon realising that the defendant had obtained registration for "SUPER POSTMAN," the plaintiff applied to challenge the validity of this registration. Additionally, the plaintiff sought to adjourn the ongoing suit to initiate rectification proceedings against the defendants' trademark. However, the plaintiff failed to adhere to the specific legal procedures outlined in Section 124(1)(b) of the Trade Marks Act, 1999.

Section 124(1) of the Trade Marks Act applies to cases where there is a pending lawsuit alleging trademark infringement. Section 124(1)(b) outlines the following procedure that must be followed in such cases:

- The defendant raises a defence under Section 30(2)(e), asserting the validity of their registered trademark.
- If the plaintiff challenges the validity of the defendant's trademark, the court will examine whether the challenge is tenable.

- If the court finds that the challenge is tenable, it will frame an issue and adjourn the suit for three months, allowing the plaintiff to file rectification proceedings against the defendant's trademark.

In this case, the defendants did not raise a Section 30(2)(e) defence in their written statement. As a result, the court dismissed the plaintiff's application under Section 124. In the suit, the plaintiff sought an injunction against the defendants for alleged trademark infringement, and at the same time, the defendants possessed a valid trademark registration. To grant the relief, the court would need to declare the defendants' registration invalid, which appeared to conflict with Section 29(1) and Section 30(2)(e) of the Trade Marks Act.

Section 29(1) and Section 30(2)(e) explicitly state that infringement can only be committed by a person who is not the holder of a registered trademark, and the use of a registered trademark, even if identical to an existing trademark, does not constitute infringement. Thus, any finding of infringement against the holder of a registered trademark would be legally untenable.

The court rejected the plaintiff's argument that it could proceed to find infringement without considering the defendants' registered trademark. The court emphasised that it could not consciously pass an illegal order, which would go against the statutory provisions. Furthermore, Section 28(3) of the Trade Marks Act stipulates that a registered trademark holder cannot claim exclusivity against another registered trademark holder with an identical or deceptively similar trademark. This provision reinforces that the plaintiff's infringement claim is subject to the exception in Section 28(3).

Recognising the need to balance the interests of both parties, the court explored an alternative course of action. It relied on Section 57(4) of the Trade Marks Act, which empowers the court to cancel or vary a trademark registration and rectify it, even without the parties' application.

In light of this provision, the court examined the validity of the defendants' trademark registration using its suo motu powers under Section 57(4). This decision ensured the plaintiff had a fair opportunity to contest the registration's validity, considering its pivotal role in the infringement claim.

The decision highlights the complexity of trademark disputes, particularly when they involve registered trademarks and when one of the registrations was obtained many years later without such information being mentioned in the pleadings.

91. DLF vs GLF: Delhi High Court Directs Gurugram Land and Finance to Cease Using 'GLF' Mark

Case: DLF Limited vs Gurugram Land and Finance (GLF) [CS(COMM) 642/2023]

Forum: High Court of Delhi

Order Dated: September 15, 2023

Issue: Whether the use of mark by the Defendant is infringing the mark of the Plaintiff?

Order: In this case, Plaintiff No.1, DLF, is a prominent real estate company, a flagship company of DLG group, objecting to Defendant No. 1, 'Gurugram Land and Finance (GLF) Pvt. Ltd.' Defendant No. 2, Rajesh Yadav, who is the director of Defendant No. 1, has applied for a trademark registration for 'GLF' with an inverted triangle. DLF, which is a well-established real estate developer with a significant market presence, argues that it has extensive rights in the trademark 'DLF,' which stands for Delhi Land and Finance. Over the years, they have used the 'DLF' mark for various real estate projects and have significant revenues, with the mark being considered "well-known."

The crux of the dispute lies in Defendant No. 1's use of 'GLF' and the inverted triangle for their real estate project, 'Palm Meadows,' in Gurugram, Haryana. DLF learned about this usage in August 2023 through hoardings along National Highway 48 and further discovered that the Defendants had filed a trademark application for 'GLF.' The Defendants have also promoted 'GLF' on social media platforms, claiming that the use of the inverted triangle and 'GLF' is identical to DLF's trademark. The extract of a billboard displaying the impugned mark is given below:

Defendant No. 2 argued that they acquired trademark rights from a third party who registered 'GLF' in 2017 and that their project is named 'Palm Meadows.' The Defendants' project has HRERA registration under 'Palm Meadows,' and online platforms suggest that it's closely related to DLF's projects. A trademark assignment date in May 2023 and a lack of clarity on whether the registered mark has been used add to the complexity of the case.

Due to DLF's long and extensive use of the 'DLF' mark, the Defendants' use of 'GLF' is alleged to cause confusion and infringe on DLF's trademark rights. DLF seeks an injunction against the Defendants.

In response, Defendant No. 2, in court, expressed willingness to modify the name from 'GLF' to 'GLAF,' which was an earlier name. The court directs the Defendants to immediately cease using 'GLF' on billboards, online posts, and promotional activities. Existing billboards within DLF City, Gurugram, are to be removed within one week, while other hoardings can be modified or replaced within a month. Defendant No. 2 indicated that no bookings are being accepted for 'Palm Meadows,' and the court directed that no booking amounts under the name 'GLF' should be accepted. The court also referred the matter to mediation for the parties to agree on an alternate name.

Furthermore, the domain name 'theglf.in' was to be discontinued, and the Delhi High Court Mediation and Conciliation Centre would appoint a senior Mediator for resolution. The parties were directed to participate in the mediation process to decide on an alternative name.

92. Delhi High Court Orders Removal of Trademark for Prior Use and Bad Faith Adoption

Case: Kia Wang vs The Registrar of Trademarks & Anr. [C.O. (COMM.IPD-TM) 2/2021 & I.A. 9633/2021]

Forum: High Court of Delhi

Order Dated: September 15, 2023

Issue: Whether the Plaintiff Kia Wang is entitled to get the registration of its impugned trademark 'ROCKPAPA'?

Order: The case pertains to a petition filed by the plaintiff for the removal of a registered trademark with T.M. No. 4400360, Class 09 for goods including 'Mobile Phone and Mobile Phone Accessories including Mobile Phone Charger, Adaptor and Travel Charger, Battery, Tempered Glass Screen Protectors for Smartphones, Power-Bank, Mobile Cover, Memory Card, Card Reader, Handsfree, Under Sections 47, 57, and 125 of the Trade Marks Act, 1999.

Notice was issued to Defendant No.1 (Registrar of Trademarks) and Defendant No.2 (Mr. Sachin Garg, proprietor of Pooja Creations) on 05.08.2021. Despite service, Defendant No.2 did not represent, prompting a fresh notice on 07.09.2021, returnable on 26.11.2021.

Defendant No.1 was granted time to file a counter-affidavit. the Court proceeded ex parte against Defendant No.2 as there was no representation despite service. Defendant no. 1 has chosen not to file any response to the rectification petition, save and except a written submission dated 30.08.2023.

The Plaintiff, an individual, founded 'ROCKPAPA,' a brand, in 2014, primarily involved in designing products for children, including Headphones, Pencil Boxes, School Bags, etc. as well as manufacturing, distributing, developing, and researching Headphones, Headphones for audio apparatus, Stereo Headphones, Hi-fidelity Loudspeakers, Telephone earpieces, Earphones, Portable media players, Audio speakers, etc.

The plaintiff stated their product is extremely popular amongst the consuming public and is available across the globe. Petitioner has operations in various countries around the world, including but not limited to Australia, Canada, Europe, the USA, and India.

The plaintiff’s trademark 'ROCKPAPA' rapidly grew worldwide and secured a domain name 'www.rockpapa.com.'. The plaintiff sells products through Amazon in multiple countries.

'ROCKPAPA' trademark was adopted by the Plaintiff in the UK in 2014 and later in the USA, Canada, Australia, and India. The Plaintiff holds 'ROCKPAPA' trademark registrations globally.

Defendant No. 2 submitted a registration application for the contested mark on January 7, 2020, and on September 13, 2020, it was officially registered with Certificate No. 2500462, which was published in the Trademark Journal No. 1966. However, the impugned mark was not known to the Plaintiff until it discovered its registration in June 2021, at which point it filed the current case for the removal of the said mark and correction of the Register of Trademarks.

The Plaintiff alleged that it is inconceivable that Defendant No. 2 was not aware of the Plaintiff's brand, and it is obvious that he or she has adopted it to demonstrate affiliation with the Petitioner and his brand "ROCKPAPA" and to establish bad faith. The adoption is being done dishonestly to capitalise on the petitioner's well-deserved reputation and goodwill. According to Section 57 of the 1999 Act, the petitioner qualifies as a "person aggrieved" and is thus entitled to request the cancellation of the registration of the contested trademark and its deletion from the Register. The public interest is also harmed by the contested trademark's continued presence on the Register. Registration of the impugned trademark may violate Section 11(1) and (2) of the Trademarks Act.

The plaintiff stated that they were the 'prior adopter' and 'prior user' of the trademark, and hence by being 'first in the market' to adopt and use the trademark, they had a superior right in his trademark over the registration of the impugned trademark,

The Delhi High Court observed that:

- The Plaintiff, by being the 'prior adopter' and 'prior user' of the trademark, enjoyed superior rights.

- The impugned trademark's adoption appeared to be in bad faith.
- The adoption aimed to exploit the Plaintiff's goodwill and reputation.
- The Plaintiff qualified as a 'person aggrieved' under Section 57 of the Act.
- Removal of the impugned trademark from the Register was ordered to maintain its purity.

The Delhi High Court cancelled the registration of the defendant’s mark owing to the prior use of a similar mark by the plaintiff. The Registrar of Trademarks was also directed to comply within four weeks from the judgment date. The petition was thereby allowed, and the pending application was disposed of.

93. Delhi High Court Holds Parle's Challenge against PepsiCo's 'For The Bold!' Mark Prima Facie Tenable

Case: Pepsico Inc. & Anr. vs Parle Agro Private Limited [CS(COMM) 268/2021, I.A. 7170/2021 & I.A. 9591/2021]

Forum: High Court of Delhi

Order Dated: September 18, 2023

Issue: Whether Parle had infringed the Plaintiff's registered trade mark "For The Bold!"?

Order:

The multinational food and beverages corporation PepsiCo claimed that it had launched a global marketing campaign under the tagline "For The Bold!" in 2013 internationally and in India since 2015 for its DORITOS brand of tortilla chips, and further had the tagline "For The Bold!" registered in class 30 in India on March 20, 2013. In November 2020, it came to know that Defendant Parle had launched a malt-flavoured fruit juice-based drink in India by the name B FIZZ on October 15, 2020, with the tagline "Be the Fizz! For The Bold!" which it contended, formed a prominent part of the label on these products.

It further contended that Parle had emphasised the tagline "For The Bold!" in all its advertising campaigns and social media pages, which could be constituted as "use" of PepsiCo's registered trademark. On September 19, 2020, Parle applied for registration of the tagline "Be The Fizz! For The Bold!" as a trade mark on a "proposed to be used" basis, which the Plaintiff also opposed. Therefore, the present suit for permanent injunction was filed, alleging that Parle had infringed the Plaintiff's registered trade mark "For The Bold!", and further arguing that since chips were a preferred accompaniment to non-alcoholic beverages like the Defendant's products, the rival goods were allied/cognate.

Defendant Parle, at the outset, pointed out that Plaintiff's mark "For The Bold!" was registered in class 30, whereas Defendant had applied for its mark "Be The Fizz! For The Bold!" in class 32, refuting the claim that the rival goods were allied and cognate in nature, and which negated any chances of confusion in the first place.

It emphasised that there was no passing off since the trade dress of PepsiCo's DORITOS tortilla chips and Parle's B Fizz malted beverages were utterly distinct, different, and distinguishable since the manufacturing companies' names were prominently displayed on the labels of their respective goods.

It contended that PepsiCo's "For The Bold!" registered trademark could not be compared with Parle's "Be The Fizz! For The Bold!" by extracting the latter "For The Bold!" part of Parle's mark for the sake of comparison. It contended that the Plaintiff's tagline "For The Bold!" violated Section 9(1)(a) and 9(1)(b) as the tagline did not have a distinctive character due to it having become customary in the current language and established practices of trade since various third parties were using it and since it was merely a slogan denoting the quality and intended purpose of the product's contents. It prayed for framing of an issue regarding the validity of the "For The Bold!" trademark of PepsiCo and for it to be granted leave to move for rectification of the mark.

In deciding the matter, the Court considered the contents of Section 124(1)(a)(ii) at length. Whenever Defendant challenges Plaintiff's mark itself in an infringement suit or vice versa, the Court provided that a sequential protocol would be followed. Therefore, in the present case, the first step, i.e., whether the challenge, as raised by Parle, was *prima facie* tenable or not, was to be determined. The Court provided that the suit court can only provide a mere view regarding the *prima facie* tenability, i.e., the arguability of the challenge.

It is only required to satisfy itself that the pleadings are sufficient to make out a challenge worth considering, whatever the merits of the challenge. The Court opined that the assertions made by Parle did make out a case of a prima facie tenable challenge against the validity of the registration for PepsiCo's "For The Bold!" trademark.

Thereafter, since the ingredients for framing an issue regarding the validity of PepsiCo's "For The Bold!" trade mark and adjourning of the suit to enable Parle to file a rectification petition were satisfied, the Court allowed the application and framed the following issue:

"Whether the registration of the tagline "For The Bold!" as a trade mark in favour of PepsiCo is valid?"

Herein, as Parle had already filed for rectification under C.O. (COMM. IPD-TM) 5/2021 prematurely before the Court deciding on the prima facie tenability of the challenge, the Court allowed it to be treated as a rectification petition was filed under Section 124 (1) (a) (ii) but emphasised that the same was not precedent.

Further, the Court noted that although the rival goods could be considered to be allied and cognate, the tagline For The Bold! appearing on Parle's B FIZZ products was the least conspicuous element of the composite label present on them and, thus, would likely go unnoticed by an average consumer. As a result, the Court rejected PepsiCo's plea for an injunction prohibiting Parle from using the slogan Be The Fizz! For The Bold! that appeared on its B FIZZ beverage products.

The Court, however, observed that Parle using the tagline For The Bold! in a standalone manner as part of its advertising campaigns would be infringing in nature and, accordingly, restrained Parle from such use on its advertising campaigns and social media pages thereon and also directed that Parle would not be allowed to alter the label on its B FIZZ bottles/cans without prior approval of the Court.

Therefore, keeping in mind the terms "*prima facie*" and "tenable" as provided in Section 124(1)(a)(ii) and the precedent set in the case of *Patel Field Marshal Agencies*, the Court clarified that the challenge to the validity of the Plaintiff's mark, though raised by the Defendant in the Plaintiff's suit, is to be decided, not by the Court hearing the suit, but by the authority which the Defendant would proceed to move for rectification. Therefore, the suit court can only pronounce on the issue of whether the challenge is arguable or not, and any observation beyond this would be bound to influence the authority that subsequently adjudicates on the rectification petition.

94. Trademark Battle Over 'ORNATE JEWELS' - Court Orders Temporary Truce

Case: M/s Ornate Jewels vs Wow Overseas Private Limited [S.B. Civil Miscellaneous Appeal No. 1570/2021]

Forum: High Court of Rajasthan

Order Dated: September 18, 2023

Issue: Whether the appeal filed by the appellant against the order dismissing the application for temporary injunction and counter application for temporary injunction filed by the respondent-defendant allowable?

Order: The appellant used the 'ORNATE JEWELS' trademark for Gold, Diamond, Precious, and Semi-Precious Jewelry. They registered this trademark with a logo on September 11, 2020, in Class 35, and claimed to have been using it since February 1, 2012. On the other hand, the respondent also used the 'ORNATE JEWELS' trademark but with a different logo in the same industry, which was registered in Class 14.

They had registered their trademark on May 10, 2016. Both parties, having their trademarks and logos registered, sought temporary injunctions against each other to prevent the use of the 'ORNATE JEWELS' trademark during the lawsuit. They each claimed to be the original inventor and prior user of the trademark. It's important to note that in this case, there was no dispute regarding the fact that both trademarks belonged to different classes and had different logos.

The Trial Court, in its order issued on March 20, 2021, rejected the stay applications of both parties. The court expressed ***that, at the stage of seeking a temporary injunction, there was insufficient evidence to determine who was the prior user of the disputed trademark***. The Trial Court referred to Section 28(3) of the Trade Mark Act, 1999, and stated that since both parties had registered trademarks, it was not permissible to grant an injunction against either of them. However, they could seek protection against third parties.

Additionally, the Trial Court noted that during the appellant's trademark registration process, the Registrar of Trade Marks had raised an objection regarding a similar trademark and asked for an explanation from the appellant. The appellant responded by stating that the respondent's trademark was entirely different and not similar to their own. ***The Trial Court observed that the appellant's response during registration prevented them from making a different claim now,*** suggesting that the respondent's trademark was similar. Consequently, the appellant filed the current appeal.

Citing the legal cases ***Wander Ltd. v. Antox India Private Ltd***. (1990) and ***Gujarat Bottling Co. Ltd. v. Coca-Cola Co.*** (1995), the court emphasised that decisions regarding temporary injunctions made by the trial court involve the exercise of discretion. The court noted that as long as the perspective taken by the trial court is a "reasonably possible view," there should be no interference. The High Court also pointed out that the trial court correctly applied the principle of estoppel to the factual situation by interpreting Section 115 of the Indian Evidence Act and considering judicial precedents.

Finally, the court also mentioned that none of the remarks made in the current order would adversely affect the merits of the case of either party before the trial court.

The principle of estoppel is a rule which prevents a person from taking up an inconsistent position from what he has pleaded or asserted earlier. The provisions of Sections 115 to 117 of the Evidence Act deal with the principles governing estoppel.

The Trial Court observed that during the course of the appellant's trademark registration, the Registrar of Trade Mark raised an objection that a similar trademark had already been registered and asked the appellant to provide an explanation. The appellant responded by asserting that the respondent's trademark was entirely dissimilar and not akin to their own trademark. The Trial Court noted that the response given by the appellant during the registration process prevented them from adopting a different position now. Therefore, they could not claim that the respondent's trademark was similar because it contradicted their earlier statement.

95. Flying Eagle Device Takes Flight to the Courtroom - Interim Injunction Pending Response

Case: Retail Royalty Company & Anr vs Devas Organic Products Private limited [CS(COMM) 653/2023, I.A. 18300/2023]

Forum: Delhi High Court

Order Dated: September 20, 2023

Issue: Whether the use of 

by the defendant infringes the mark [1] of the plaintiff in the same set of services and business sector?

Order: The plaintiffs are the owners of a trademark known as the "Flying Eagle Device." The Plaintiffs Flying Eagle Device trademark is utilised in the fields of clothing, cosmetics, and personal care products. It was officially registered in India in 2006.

The plaintiff alleged that the trademark had also been recognised as a "well-known" trademark as per the definition outlined in Section 2(1)(zg) of the Trademarks Act. This recognition was granted through two separate orders, one dated April 25, 2023, and the other dated May 3, 2023, in the case of CS (COMM.) 601/2022, titled "Retail Royalty Company & Anr. v. Nirbhay Marg News Broadcast Private Limited." The plaintiffs also hold a copyright registration, in respect of the Flying Eagle mark, granted on 7 December 2017.

The defendants are actively utilising this contested trademark in the production, promotion, and sale of personal care items, including handmade soaps, shampoos, toothpaste, dishwashing liquids, and nutritional blends. Additionally, Defendant 2 has initiated the process of registering this trademark, commencing on December 22, 2022, and claiming prior usage dating back to February 6, 2017. This registration application specifically pertains to class 3, encompassing bath soaps in liquid, solid, or gel forms, as well as skincare cosmetics.

The plaintiffs asserted that the inclusion of the Flying Eagle Device mark as part of the defendants' logo constituted blatant trademark infringement and deceptive practices, as it misleads consumers into believing that the defendants' product had been associated with or endorsed by the plaintiffs.

Since the Flying Eagle Device mark had been duly registered in Favor of the plaintiffs and had obtained the esteemed recognition of being a well-known trademark through court orders, a strong case for infringement was evident at first glance. It was prima facie evident that there existed a high probability of confusion among customers encountering the defendants' mark and erroneously assuming it to be linked to the plaintiffs. The Plaintiff filed an application under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC), seeking a grant of interlocutory injunctive reliefs.

The Court followed the precedent established by the Division Bench of the Court in the case of Dabur India Ltd. vs Emami Ltd.1, where the defendants had an established presence in the market and considering that this was not a case of outright counterfeiting but rather one involving trademarks that were allegedly deceptively similar, it was deemed suitable to afford the defendants an opportunity to present their response. The court opined that the defendants must be given a chance to provide their perspective before deciding the application for an interim injunction.

96. Delhi HC Division Bench Revives and Remits Injunction Application for Reconsideration by Trial Judge in Trademark Case

Case: GNV Commodities Pvt Ltd vs Tykekart Technologies Pvt Ltd [FAO (COMM) 192/2023]

Forum: High Court of Delhi

Order Dated: September 22, 2023

Issue: Whether the use of "DOGZKART" as well as a domain name, WWW.DOGZKART.COM, for goods and services relating to Dogs and Cats similar to that of the Appellant/Plaintiff by the defendant infringes the device mark "DOGKart.in" of the plaintiff?

Order:

The crux of the matter lay in the Appellant's/Plaintiff's claim as the registered proprietor of the device mark "DOGKart.in" under classes 3, 28, and 35. The Appellant/Plaintiff filed a lawsuit alleging infringement and passing off against the Defendant (Tykekart Technologies Pvt. Ltd.), who had adopted a deceptively similar trademark, "DOGZKART," as well as a domain name, WWW.DOGZKART.COM, for goods and services relating to Dogs and Cats similar to that of the Appellant/Plaintiff.

The Trial Judge, while adjudicating the case, conducted a comparative examination of the logos of the Appellant/Plaintiff and the Respondent/Defendant and concluded that the words forming part of the marks were not similar and, therefore, were not likely to cause confusion. Additionally, the trial Judge emphasized that the presence of the words *"Making the paws tech smart" below the* logo of the Respondent's/Defendant's mark, DOGZKART, coupled with the fact that the colour combination of both marks was distinct, eliminates any likely hood of confusion. The Trial Judge further held that the domain name of the Appellant/Plaintiff, WWW.DOGCART.IN. The domain name of the Respondent/Defendant, WWW.DOGZKART.COM, was distinguishable and different, and thus, the Appellant/Plaintiff could not claim exclusive rights to use such a domain name.

While rendering its decision, the Hon'ble Division Bench referred to the legal precedents and well-settled case laws. One such critical case relied on by the Bench was the Amritdhara Pharmacy Vs. Satya Deo Gupta, in which the Hon'ble Supreme Court held that the Act does not provide specific criteria for determining what is likely to deceive or cause confusion. Each case must depend on its own particular facts.

In this context, the decision in the Pianotist Co. [(1906)23 RPC 774] case was cited, emphasising the need to consider various factors, stating, "*You must take the two words. You must judge them, both by their look and by their sound. You consider the goods to which they are to be applied. You must consider the nature and kind of customer likely to buy those goods. In fact, you must consider all the surrounding circumstances, and you must further consider what is likely to happen if each of those trademarks is used normally as a trademark for the goods of the respective owners of the marks."*

The Hon'ble Division Bench also relied on one more landmark case, F. Hoffmann-La Roche & Co. Ltd. vs Geoffrey Manner & Co. (P) Ltd. [(1969) 2 SCC 716], which, in addition to the previously mentioned aspects in Amritdhara case, explained the difference between "to deceive" and "to cause confusion." It also explained the application of visual and phonetic tests through a case law titled Aristoc Ltd. Vs Rysta Ltd. [62 RPC 65 at 72]. In this case, a view was taken by the House of Lords while considering the resemblance between the two words "Aristoc" and "Rysta" that considering the way the two said words were pronounced in English, the one was likely to be mistaken for the other one.

The Hon'ble Division Bench observed that the trial Judge had erred by failing to allude to the test of either phonetic or visual similarity. The trial Judge also failed to consider that the average consumer may not meticulously scrutinize the two competing marks. According to the Hon'ble Supreme Court, as explained in the aforementioned cases, the true test depends on the first impression and the requirement of the marks being compared as “wholes”. The Division Bench concluded that the aforesaid principles were overlooked by the trial Judge while passing the impugned order.

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As a result, the appeal was allowed, and the injunction application was revived and remitted for reconsideration by the Trial Judge. The Bench also clarified that the Trial Judge should consider injunction application without being influenced by the observation made by the Hon'ble Division Bench except to the extent where the Bench has briefly alluded to the prevailing legal position. This decision underscores the importance of a holistic approach in deciding trademark matters and the need to consider various factors, including the phonetic and visual similarities with the infringing mark. It is the "first impression" that should guide the evaluation of trademark infringement cases and a requirement of the marks being compared as "wholes".

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97. Breaking Down the Battle Over 'AJIO'

Case: Reliance Industries Ltd vs Ajio Online Shopping Private Ltd and Ors [CS(COMM) 625/2023 and I.A. 17142/2023]

Forum: High Court of Delhi

Order Dated: September 25, 2023

Issue: Whether there was a case of fraudulent operations carried out by the defendant to scam the customers under the plaintiff's name and mark of 'AJIO' and 'AJIO Online Shopping Private Limited'?

Order:

The plaintiff, Reliance Industries, holds registrations for trademarks 'AJIO', AJIO logo and other formative marks. Reliance Retail Limited is the Indian retail company of Reliance Industries. The e-commerce platform of Reliance Retail at www.ajio.com is a business-to-consumer (B2C) platform which was launched in 2016. This is also available on mobile apps with the same name, 'AJIO'. Consumers can directly order and purchase goods from the retailer on the AJIO website and app, which have gained immense popularity in India.

The plaintiff became aware of fraudulent business activity of several persons who were sending various communications under the name and style 'AJIO Online Shopping Pvt. Ltd.' to various customers across India, including the plaintiff's employees. The content of the communication mentioned that the customer receiving such a letter had won a lucky draw contest, prize money, as well as a scratch card coupon. The modus operandi seemed that certain directions mentioning specific toll-free helpline numbers were given to the customer to collect the prize and reward money. The impersonating defendant/s then collected money from unsuspecting customers under the garb of encashing the scratch card or paying government taxes and processing fees. The investigations revealed that the defendant/s were using various mobile numbers and bank accounts to receive the deposits made by the customers.

The Court perused the submitted documents and observed that it seemed like a large-scale fraudulent operation carried out by the defendant/s in order to scam the customers under the name of ‘AJIO’ and ‘AJIO Online Shopping Private Limited’ and make illegal monetary gains.

The Court considered AJIO’s popularity such that any customer who may receive such communication may believe it to be true. With such a level of fraudulence being played out and several communications sent to various customers, it was noted that the plaintiff had made out a *prima facie* case for ex-parte ad interim injunction.

The injunction was granted restraining the defendants from using the mark ‘AJIO’. The banking institutions were directed to immediately freeze the connected bank accounts and submit complete statements of account for such bank accounts along with KYC details and other important information.

The telecom service providers were directed to immediately block the mobile numbers and submit the documents initially submitted by the individuals who secured such mobile numbers. The Cyber cell was directed to identify and investigate the defendants. The plaintiff was also given the liberty to move an application before the Court as soon as it becomes aware of any new mobile number/s or bank account/s.

98. Contumacious Disobedience Against the Famous Brand HALDIRAM BHUJIAWALA

Case: Haldiram India Pvt. Ltd vs. M/S Nandipat Enterprises & Anr. [CS(COMM) 388/2023 and I.A. 18714/2023]

Forum: High Court of Delhi

Order Dated: September 25, 2023

Issue: Whether the plaintiff was entitled to a permanent injunction against Defendants for infringing on its registered trademarks, viz. "**HALDIRAM BHUJIAWALA**" and as well as the copyrights of the Plaintiff, passing off their goods as those of the Plaintiff?

Order:

Plaintiff had initially filed the present suit seeking a permanent injunction against Defendants for infringing on its registered trademarks, viz. "**HALDIRAM BHUJIAWALA**" and as well as the copyrights of the Plaintiff, passing off their goods as those of the Plaintiff and for other ancillary reliefs, as the Plaintiff is the registered proprietor of the trademarks "**HALDIRAM BHUJIAWALA**"/ "**HALDIRAM'S**" in respect of edible articles of human consumption. In March 2023, the plaintiff became aware that its registered marks were being used in conjunction with logo by the Defendants. In this regard, the plaintiff filed the suit wherein the Court restrained the Defendants from using and infringing the plaintiff's registered trademarks and copyright. Further, on May 19, 2023, the Defendants reached out to the Plaintiff to settle the matter. However, it was during this time that the plaintiff learnt that the Defendant No. 1, operating in Bihar under a Super Stockiest/Distributorship Agreement with the Defendant No. 2, i.e., Mr. Ashok Aggarwal, was using the said trademarks and copyright of the Plaintiff for its own products instead for the pre-packaged products of the

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Defendant No. 1 as per their agreement. Further, the attention of the Court was brought to the Settlement Agreement dated May 3, 2016, entered into between the plaintiff and Defendant No. 2, wherein Defendant No. 2 was only permitted to sell packaged goods manufactured by it using the plaintiff's marks.

The plaintiff's marks were also being used on the packaging of the products manufactured by Defendant No. 1 as well as on its restaurants. Thus, a *prima facie* case was made out by the Plaintiff wherein the Court was convinced that the "balance of convenience" lies in favour of the Plaintiff and irreparable harm would be caused to the Plaintiff as well as the public at large. Further, despite reminders, the Defendants failed to appear in front of the Court. In view of the above, on June 1, 2023, this Court granted an interim injunction in favour of the Plaintiff and against the Defendants.

Further, the application was filed by the Plaintiff under Order XXXIX Rule 2A of the Civil Procedure Code, 1908 (CPC), to inform the Court that Defendant No. 1, i.e., Nandipat Enterprises, was wilfully and deliberately violating the above-mentioned injunction order passed by this Court. The Plaintiff alleged that Defendant No. 1, in violation of the Settlement Agreement dated May 3, 2016, had started manufacturing its own pre-packaged food items and sold it with the label "**HALDIRAM BHUJIAWALA**" alongside the logo. The packaging as sold by Defendant No. 1 was depicted as  and , wherein the mark "**HALDIRAM BHUJIAWALA**" was clearly depicted. These items were also sold on food delivery apps such as Swiggy. Further, the Court also reiterated that the Settlement Agreement dated May 1, 2016, was also very clear that Defendant No. 1 is only permitted to use the marks "**HALDIRAM BHUJIAWALA**", and logo for pre-packaged food items manufactured by Defendant No. 2. The

Court held that the misuse of the above-mentioned marks of the Plaintiff whether in violation of the Settlement Agreement or in violation of the injunction earlier order passed by this Court, would amount to contempt.

It was also held that the mere permission given to Defendant No. 1 to sell pre-packaged items manufactured by Defendant No. 1 does not permit it to confuse the public and pass off its goods as the original products of the plaintiff. The Court also stated that "**HALDIRAM BHUJIAWALA**" is an extremely popular brand for sweets, namkeen and other snack items, and thus, the snacks sold by Defendant No. 1 were misleading to the public at large as though the said items were Plaintiff's original "**HALDIRAM BHUJIAWALA**" products. In addition to this, it was also alleged that Defendant No. 1 was using the logo and the name "**HALDIRAM BHUJIAWALA**" on the billboards outside its restaurant in Bihar. In view of the above, the Court appointed a Local Commissioner to immediately visit and inspect the premises of Defendant No. 1 and directed the following:

a. to seize all the products of the Defendant No. 1 manufactured by Defendant No. 1 and which were not the pre-packaged products of Defendant No. 2, bearing the Plaintiff's marks and logos.
b. to ensure that there are no billboards, display boards, menu cards, carry bags, or any other stationery or material bearing the Plaintiff's marks and logos.
c. Obtain the details since when the Defendants sold infringing products after the injunction order dated June 1, 2023, and obtain copies of their accounts.
d. after preparation of the inventory found at Defendant No. 1's premises, the Local Commissioner shall seal the same. If the Defendants wish to remove any food items in the infringing packaging, the same shall be permitted to be removed from the packets and handed over to Defendant No.1.
e. the local SHO of the area was instructed to extend complete assistance to the Local Commissioner in the matter.

It was also clarified that Defendant No. 1 was free to distribute pre-packaged goods of Defendant No. 2. Further, the listing of the products manufactured by Defendant No. 1 by itself under Plaintiff's marks on the food delivery apps was directed to be taken down with immediate effect. Further, the Court also clarified that if Defendant No. 2 wants to advertise itself as the authorised distributor of Defendant No. 1, it may do so in its outlets on the shelf where snack products are stored to mitigate any confusion in the minds of the public. The matter is yet to be finally decided by the court.

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99. Territorial Jurisdiction in Matters Relating to Trademark and Copyright Suits Revisited

Case: Hasmukhbhai Bhagwanbhai Patel vs Husenali Anwarali Charaniya [R/FA/2172/2023]

Forum: High Court of Gujarat

Order Dated: September 25, 2023

Issue: Whether the District Court, Dahod has territorial jurisdiction over the trademark suit for relief of permanent injunction, accounts of profit and damages for the use of the trademark "KRANTI KAKA"?

Order:

The Appellant (Plaintiff) had filed trademark suit No.1 of 2023 before the District Court, Dahod, for relief of permanent injunction, accounts of profit and damages under the Trademarks Act, 1999 and Copyright Act, 1957 for the use of the trademark "KRANTI KAKA" in connection with betel nuts. The plaintiff invoked the territorial jurisdiction of the District Court, Dahod, on the basis of invoices as proof of sale within the court's jurisdiction. However, the defendant raised the question of maintainability and filed an application to reject the plaint for want of jurisdiction as neither the location of the Plaintiff or Defendant's businesses nor the alleged infringement was within the Dahod district. Order dated April 18, 2023, was passed by the Learned Additional District Judge(ADJ), Dahod, whereby the Learned ADJ rejected the plaint under Order 7 Rule 11 of the Civil Procedure Code, 1908 (CPC) inter alia on the ground of lack of jurisdiction.

The plaintiff resided and owned a factory in Surat, while the Defendant conducted business in Moraiya and Ahmedabad while residing in Wadhwan. The plaintiff filed the lawsuit in Dahod District Court based on the sale of the product in Dahod. The plaintiff relied on the fact that part of the cause of action occurred within the territorial jurisdiction of the Dahod court.

The Court highlighted that in the case of a suit for infringement under the Trademark Act or Copyright Act, section 134 of the Trade Marks Act, as well as section 62 of the Copyright Act, give additional ground of territorial

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jurisdiction to the plaintiff over and above grounds available in section 20 of the CPC thereby expanding the bandwidth of territorial jurisdiction. In the present case, the plaintiff, who is residing in Surat and also carrying on his business at Surat, did not explain why he did not file the suit for infringement of trademark and copyright at Surat or at District Court, Surendranagar where the Defendant is residing or carrying on business for gain. The Court glaringly observed that there is no reason for the plaintiff to file the suit at the District Court, Dahod, when both the parties are not living at Dahod nor carrying on business at Dahod, clarifying that the lawmakers never intended to make the parties travel to a distant place for agitating their grievance in respect of the fact that the plaintiff has the remedy of suing the defendant at the place where the cause of action arose in view of Section 134 of the Trade Marks Act read with Section 62 of the Copyright Act or as per section 20 of the CPC.

100. Domain Dilemma: Resolving Disputed Rights in the VBM Trademark Matter

Case: Vbm Medizintechnik GMBH vs Geetan Luthra [CS(COMM) 820/2022 & I.A. 19757/2022]

Forum: High Court of Delhi

Order Dated: September 25, 2023

Issue: Whether the use of mark by the Defendant Geetan Luthra infringes the mark of the Plaintiff VBM Medizinteechnik GMBH?

Order: In the case at hand, the Plaintiff, a well-established German-based medical equipment company, had been utilizing the trademark VBM " " for its medical equipment since 1981, albeit without possessing an Indian trademark registration. The Defendant, an Indian entity, claimed to have been using the domain name www.vdmmedial.com since 2008 and subsequently obtained the Indian trademark registration for VBM " " in 2015. In 2020, the Plaintiff terminated its distributor agreement with the Defendant and initiated a complaint for passing off, alleging that the Defendant's use of the "VBM" trademark infringed upon its rights. The defendant argued that the Plaintiff had acquiesced to their use of the trademark "VBM" and sought the defence of acquiescence under Section 33 of the Trademarks Act, 1999.

The central issue in this case pertained to the applicability of the defence of acquiescence under Section 33 of the Trademarks Act, 1999. Section 33 of the Act provides protection to a person who has continuously used a trademark for a certain period despite being aware of another person's prior use of a similar or identical trademark. To successfully invoke this defence, it is crucial that the Defendant establishes themselves as a bona fide adopter of the trademark.

The court acknowledged that the Defendant's adoption of a mark bearing a striking visual similarity to the Plaintiff's mark could not be attributed to mere coincidence. The visual resemblance between the marks " VBM MEDIZINTECHNIK GMBH " and " VBM INDIA Co. " had the potential to lead to consumer confusion, which contradicts the fundamental objective of trademark law.

The court reached the conclusion that the Defendant had not genuinely adopted the mark "VBM." Various factors were considered, including the timing of the Defendant's trademark registration and the circumstances surrounding the adoption and use of the mark. These factors raised doubts about the Defendant's bona fides, suggesting that they may not have adopted the mark with honest and legitimate intentions.

The Delhi High Court decided to deny the Defendant the protection of the defence of acquiescence under Section 33 of the Trademarks Act 1999 was well-founded. The court emphasised that this defence should only be available to genuine adopters of a trademark who have continuously used it in good faith.

The Defendant's adoption of a visually similar mark, the timing of the trademark registration, and the circumstances of adoption all raised questions about their bona fides. Therefore, the court's refusal to protect the Defendant's use of the trademark "VBM" under the defence of acquiescence was in accordance with the law, preserving trademark rights and preventing consumer confusion.

101. Theos vs Theobroma: Delhi High Court Restrains Theos to Delhi-NCR

Case: Theos Food Pvt Ltd & Ors. Vs Theobroma Foods Pvt Ltd [C.O. (COMM.IPD-TM) 468/2022]

Forum: High Court of Delhi

Order Dated: September 25, 2023

Issue: Whether the use of the mark "THEOS" by the Defendant THEOBROMA FOODS PVT. LTD is an infringement of Plaintiff THEOS FOOD PVT. LTD trademark rights?

Order: The case involves the trademarks "THEOBROMA" and "THEOS"/"THEO'S," used in relation to bakery and related products, patisseries, and confectionery. The parties in contention are Plaintiff Nos. 1 and 2, known as " THEOS FOOD PVT. LTD." and "THEOS PATISSERIE & CHOCOLATARIE," based in Delhi and Noida, and the Defendant, "THEOBROMA FOODS PVT. LTD.," located in Mumbai, Maharashtra.

The Court had previously heard the case and issued an order on July 29, 2022, outlining the terms and conditions upon which the parties agreed to settle their disputes amicably. However, subsequent delays and disagreements between the parties led to challenges in filing a comprehensive joint application under Order XXIII Rule 3 CPC to formalise the settlement agreement.

In this case, both parties acknowledged that they could not file the settlement agreement due to ongoing disputes. However, they agreed to have the suit decreed in line with the judgment passed by the Court on July 29, 2022, with certain clarifications on the disputed areas. These areas of dispute include:

- The use of the mark "THEOS" with or without the 'S' by the Defendant, "THEOBROMA."
- Geographical limitations on the use of the mark "THEOS"/"THEO'S" in the Delhi-NCR region.
- Limitation regarding NICE Classification for the mark "THEO" held by the Defendant.

- Usage of the mark "THEO" on QR menu cards.

The Court clarified that the Defendant could continue to use the mark "THEOS"/"THEO'S" with the 'S' for five specified products, as agreed upon in the settlement. *the following five food items offered by it are:*

1. Theos Dutch Truffle Cake
2. Theos Chocolate Mousse Cup
3. Theos Mava Cake
4. Theos Dense Loaf
5. Theos Quiche

It also clarified that the geographical limitation to the Delhi-NCR region would not prevent the Plaintiffs from taking action against any third party misusing identical or similar marks in other territories within India.

The Court further ruled that the Defendant could use the mark "THEOS"/"THEO'S" on physical and QR menu cards in their physical outlets but not on food aggregator or delivery platforms.

The final decree also outlined the parties' obligations regarding the use of marks outside the Delhi-NCR region, allowing the Defendant to expand its outlets under "THEOBROMA" across the country while limiting the Plaintiffs to the Delhi-NCR region for goods and services provided under "THEOS"/"THEO'S."

Finally, the decree noted that all pending disputes between the parties, including those before the Registrar of Trademarks, would be resolved based on the terms of this settlement. Parties were required to file this order with the Registrar of Trademarks for further action. The suit is yet to be decreed finally in terms of the compromise application.

102. Tale of Two Pizzas: The Dominos vs Dominick Pizza Case

Case: Dominos IP Holder LLC & Anr. vs Dominick Pizza & Anr [CS(COMM) 587/2022]

Forum: High Court of Delhi

Order Dated: September 26, 2023

Issue: Whether the trademarks " " and " " of the plaintiff infringed upon by the defendant with the logo , akin to the original logo used by Domino's?

Order:

The trademarks " " and " " of the famous pizza chain Domino's were used by the defendant Dominick along with the logo , akin to the original logo used by Domino's. The defendant did not use the exact logos used by Domino's as it used the words "cheese burst" and "pasta Italiano" instead of the logos and even had internal images and colours different from Domino's original logo. Yet, these differences could not prevent the confusion and people who consumed the defendant's products complained to Domino's about the inferior quality instead of going to the defendant. The fact that consumers of the defendant's products got confused and gave bad reviews to Domino's clearly showed that there was actual confusion, and changing colour and deviating from the original logos did not prevent such confusion.

There might be a view that changing colours and shapes does not amount to similarity and could not result in confusion. This could be true in some cases, but not in those cases where the original owner is known to create several sub-brands, and such changes in colours and shapes can be construed as sub-brands of the original owner, resulting in further confusion. For example, a patron of Domino's Pizza may assume that the

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infringing red logo is only a variant of the original logo and introduced by Domino's as a sub-brand for some of its products that may be spicy variants of known products. Under this impression, such patron would consume the defendant's products and, on disliking it, complain to Domino's, assuming it is one of its sub-brands.

With evident confusion, Domino's knocked on the doors of the IP division of the Delhi High Court by way of a suit for infringement against the defendants with an urgent relief to restrain them immediately from using the infringing marks. An *ex parte* ad interim order was passed on 29 August 2022 while summons were issued to the defendants. The Delhi High Court found that a *prima facie* case was made out in favour of the plaintiffs, and accordingly, directions were issued against the defendants to stop using infringing marks on their outlets that spanned over Ghaziabad, Noida, Delhi, and various locations in Punjab. Defendants were also restrained from advertising, selling, offering for sale, marketing, packaging, or otherwise dealing with the marks "Dominick Pizza", "Cheese Burst", and "Pasta Italiano". Since the defendant was also using infringing domain names www.dominickpizza.com and www.dominickpizzas.com, the Domain Name Registrar was directed to block/suspend these domain names.

Perhaps to avoid facing the wrath of the Delhi High Court in view of the flagrant infringement of well-known and, in this case, delectable trademarks, the defendants chose not to appear in the lawsuit. With no other option, the plaintiffs sought a summary judgment against the defendants, as prolonging the suit would have wasted the Court's precious time. The Court agreed with the plaintiffs and passed a summary judgment to decide the parties' rights on September 26, 2023.

The outcome was as expected. The verdict came in favour of the plaintiffs Dominos IP Holder LLC and Jubilant Food Works Limited (hereinafter referred to as JFWL), who are operating in India through a Master Franchise Agreement existing between JFWL and Domino's Pizza International Franchising Inc. and have rights to own and manage IP and Trademark rights of Domino's Pizza in India. The Court found that the reputation and registered trademarks of the globally established business of Domino's Pizza, operative in 90 countries, were affected, and the infringer attempted to tarnish its brand. The defendants were also found to be riding upon the goodwill of the long-used plaintiff's trademark "Domino's.

The Court discerned that among the three impugned marks in the present case, the marks "CHEESE BURST" and "PASTA ITLAIANO" replicate the corresponding marks of the plaintiffs. On the other hand, the infringing mark was held to be intentionally used by the defendants to operate and expand the same pizza and fast-food services business as the Plaintiffs. The Court also observed that the selection of the mark "DOMINICK" by the defendants was deliberately made as a throwback to the original predecessor of the plaintiffs who operated under the name "DOMINICK's PIZZA" as Mr. Dominick DiVarti owned the pizza stores at that time. DOMINICK's PIZZA was later purchased by the Monaghan Brothers, who subsequently changed the entity's name to Domino's Pizza in 1965 after purchasing two more restaurants. The intention of luring the public into believing an association between the infringing entity and that of the plaintiffs by using the same trademark as used by the plaintiffs' predecessor clearly established the bad faith behind using the infringing marks.

The Court found that all three ingredients under Section 29(2) of the Trademarks Act, 1999, were met in the present case as the defendants, not being a registered proprietor of the allegedly infringing trademark, were using the impugned mark in the course of trade which resulted in the likelihood of confusion on the part of the public or the public believing that the defendant's mark is somewhat associated to the plaintiffs' registered trademarks. Even the Trademark Registry objected to the application filed by the defendants for registration of the device mark on 15 June 2016 on the ground that it is identical or similar to the plaintiffs' "Domino's Pizza" and the Plaintiffs' device marks and . Although in April 2021, Dominick Pizza had applied to the Trademark Registry for withdrawal of its trademark application, later, in August 2021, they withdrew the withdrawal letter through another Counsel, which again exposed the underlying mala fide intent. The Court also noted that the plaintiffs have vigorously protected their trademarks and successfully enforced their rights in some earlier suits, viz., *Dominos IP Holder LLC & Anr. Vs. Hominos Pizza*, and *Dominos IP Holder LLC & Anr. Vs. Domi's Pizza & Ors.*, wherein decrees have been granted in favour of the Plaintiffs.

The decree of permanent injunction was passed restraining the defendants and anyone acting on their behalf from advertising, selling, offering for sale, marketing, etc., and any products bearing the infringing marks. Defendants were also stopped from selling or distributing any product, packaging, menu cards and advertising material, labels, stationery articles, website or any other documentation using, depicting, displaying in any manner whatsoever the marks "Dominick Pizza", , "CHEESE BURST" and "PASTA ITLAIANO" or any other mark which is identical or deceptively similar to the Plaintiffs' registered trademarks.

Most importantly, the Court directed the defendants to pay the litigation cost of ₹ 6,57,564.20, which the plaintiffs incurred in the present litigation and the defendants were also directed to withdraw their trademark application for the infringing marks. In the event of failure, the Registry of Trademarks is supposed to treat that application as withdrawn and pass appropriate orders accordingly.

103. Exploring Legal Complexities in Venus vs Mahalazmi Trademark Dispute

Case: Mr. Amrish Aggarwal Trading As M/S Mahalaxmi Product vs M/S Venus Home Appliances Pvt Ltd. [C.O. (COMM.IPD-TM) 258/2022]

Forum: High Court of Delhi

Order Dated: September 27, 2023

Issue: Whether Mahalaxmi (Plaintiff) was entitled to file the rectification petition before the Delhi High Court before the Commercial Court decided on the tenability of Mahalaxmi's challenge to the VENUS mark?

Order: In this case of Venus Home Appliances Pvt. Ltd. (hereinafter "Venus") v. Mahalaxmi Product (hereinafter "Mahalaxmi"), several legal issues regarding the validity of trademark infringement and rectification petitions under Section 124 of the Trademarks Act 1999 have arisen. The case began as Suit 2019/2002 instituted by Venus against Mahalaxmi for alleged trademark infringement and passing off. The trademark in question was "VENUS."

In response to the suit, Mahalaxmi challenged the validity of the VENUS mark in its written statement. While the suit was pending, Mahalaxmi filed a rectification petition under Section 124(1) of the Trademarks Act, requesting the Court to frame an issue regarding the invalidity of the VENUS mark and adjourn the proceedings by three months to allow Mahalaxmi to file a rectification petition. However, before the Court could decide on this application, Mahalaxmi filed a rectification petition (CO (COMM.IPD-TM) 258/2022) before the Delhi High Court for removing the VENUS mark from the trademark register.

The primary legal question in this case is whether Mahalaxmi was entitled to file the rectification petition before the Delhi High Court even before the learned Commercial Court decided on the tenability of Mahalaxmi's challenge to the VENUS mark. Section 124 of the Trademarks Act 1999 governs the stay of proceedings in cases where the validity of a trademark registration is questioned. Specifically, Section 124(1)(ii) allows for the

Court to raise an issue regarding the validity of the trademark and adjourn the case for three months for the party concerned to file a rectification petition. However, the rectification petition can only be filed after the issue is framed and the Court adjourns the proceedings.

The statutory scheme of Section 124(1) and (2) is clear: the defendant challenged the validity of the plaintiff's trademark, and the Court must examine whether the challenge is tenable. If it is, the Court will frame an issue regarding the trademark's validity and adjourn the case for three months, during which the defendant can file a rectification petition.

However, in this case, Mahalaxmi filed the rectification petition before the Commercial Court, which determined its challenge's tenability to the VENUS mark, effectively "jumping the gun." A recent judgment, Nadeem Majid Oomerbhoy v. Gautam Tank, emphasizes the importance of following the sequence of proceedings as outlined in Section 124, which requires the filing of a rectification petition only after the Court has framed the issue regarding the validity and adjourned the case.

The case of Puma Stationer P. Ltd. v. Hindustan Pencil Ltd. is cited, in which the rectification petition was filed before the institution of the suit. This decision, however, refers to an earlier case, Elofic Industries (India) v. Steel Bird Industries, where the rectification petition was filed simultaneously with the written statement, as in this case. Nevertheless, the Court in Elofic allowed this sequence, stating that the Court should wait for the result of rectification proceedings before passing any final order or decree involving the trademark's validity. This is in line with the sequence set out in Section 124.

However, a more recent case, Sana Herbals Pvt. Ltd. v. Mohsin Dehlvi, suggests that the High Court now decides rectification proceedings after the Intellectual Property Appellate Board (IPAB) abolition. Therefore, the suit and rectification applications can be consolidated and decided together without the need to stay the suit.

The judge expresses concern about this view. First, it goes against the explicit provisions of Section 124(2), which mandates that the suit be stayed upon filing a rectification petition, regardless of where rectification proceedings are conducted. Second, the judge points out that the legislature intentionally retained Section 124(2) even after the IPAB's abolition and the transfer of rectification jurisdiction to the High Court. Third, the decision in Sana Herbals disregards the statutory requirement of staying the suit when a rectification petition is filed.

The court referred to whether the view in Sana Herbals is legally sound to a Division Bench of the Delhi High Court for further consideration. This case highlights the complexity of the legal procedures surrounding trademark disputes and the need for clarity in interpreting and applying the law. The Court directed the Registrar to submit materials relating to this matter to the Chief Justice of this Court for allotment to the appropriate Division Bench to determine the issues raised above.

104. Rectification Petition Allowed in Trademark Infringement Case

Case: Marie Stopes International vs Parivar Seva Sanstha & Anr [C.O. (COMM.IPD-TM) 35/2022]

Forum: High Court of Delhi

Order Dated: September 29, 2023

Issue: Whether Marie Stopes International is entitled to get an injunction in the case of trademark infringement against Parivar Seva Sanstha & Anr.?

Order: The plaintiff, Marie Stopes International, is the registered owner of the trademark Marie Stopes International under class 10 and[1] the door device under class 16 since 27 December 2002, in India.

The plaintiff Marie Stopes International (MSI) licenced the use of the Marie Stopes trademark to the defendant Parivar Seva Sanstha Anr (PSS) vide an agreement on 2nd March 1978.

The Plaintiff MSI terminated the agreement on 13th March 2003 by a letter and called upon PSS to desist from using the aforesaid trademark.

After the termination of the agreement, on March 3, 2003, the plaintiff noticed that the defendant PPS had applied for the registration of the impugned trademark in its own name with the registrar of trademarks.

The plaintiff filed 3 rectification petitions for seeking a permanent injunction on the ground of infringement and passing off. Since all three petitions raise similar issues, they are being decided by the way of common judgment.

The plaintiff alleges that the disputed trademark registrations were originally part of a 1978 Agreement, with PSS being a permitted user. However, PSS registered these trademarks in its own name, which is not permissible.

Furthermore, after the termination of the 1978 Agreement by MSI in 2003, PSS's use of these trademarks constitutes misrepresentation and misappropriation, amounting to passing off PSS's goods and services as MSI's. This could lead to the cancellation of the registrations under Section 11(3)(a) of the Trademarks Act.

These registrations were allegedly obtained through misrepresentation and concealment of facts by PSS, making them liable for cancellation under Section 11(10) of the Act. The impugned trademarks, which resemble MSI's distinctive trademarks, could cause confusion and deception among the public, potentially violating Sections 9(2)(a) of the Act.

Moreover, the trademarks are registered in the name of a non-existing entity, and thus, they should be cancelled under Section 57 of the Act. The defendant PSS disputes the existence of the 1978 Agreement, arguing that MSI lacks the right to bring these rectification petitions, which should be dismissed.

The petitions face potential dismissal due to reasons of acceptance, delay, and laches. MSI, by being aware of the use and registration of the disputed trademarks by PSS for over three decades, has arguably accepted their use. Additionally, PSS has continued to use these trademarks for over five years since MSI's termination of the alleged 1978 Agreement on March 13, 2003. Consequently, the petitions could be dismissed under Section 33 of the Act.

The Delhi High Court heard the two connected suits, CS(COMM) 479/2018 and CS(COMM) 278/2018, together with rectification petitions. The suit filed by respondent no.1, PSS, was dismissed, while the suit filed by petitioner MSI was decreed for a permanent injunction due to passing off.

The defendant PSS argues that the rectification petitions are not maintainable because no application under Section 124 of the Trademarks Act, 1999, was filed, and no issues were framed in the connected suits. MSI contends that Section 124 of the Act does not apply to suits based on passing off.

Section 124 of the Act deals with the stay of proceedings when the validity of trademark registration is questioned in infringement suits. It applies to infringement suits, but CS(COMM) 298/2018 was filed for both infringement and passing off. As per the judgment The Delhi High Court, no infringement action can be taken against PSS, but passing off relief was granted to MSI. PSS did not plead the invalidity of MSI's trademarks.

The suit filed by PSS, CS(COMM) 479/2018, was solely based on passing off, and Section 124 of the Act doesn't apply to suits for passing off. Additionally, Rule 26 of the Delhi High Court Intellectual Properties Rights Division Rules, 2021, allows consolidation of rectification proceedings with civil suits.

The court held that Section 124 of the Act does not apply in this case. The judgment established the existence of the 1978 Agreement between MSI and PSS, making PSS a licensee of the Marie Stopes trademarks. PSS continued to use the trademarks even after termination, amounting to passing off.

The court found the grant of registration for the impugned trademarks in violation of Section 11(3)(a) of the Act and liable to be cancelled under Section 57. Furthermore, the registrations were obtained through misrepresentation, and the use of the trademarks was in bad faith, violating Section 11(10) of the Act. PSS claimed acceptance by MSI, but the court ruled that PSS's registrations were not in good faith, negating the defence of acceptance under Section 33 of the Act.

Finally, the impugned trademarks were registered in the name of a non-existing entity and were liable to be cancelled under Section 57 of the Act. Thus, the rectification petitions were allowed, and the impugned trademarks were ordered to be removed from the Register of Trademarks.

105. Legal Triumph: ITC Limited Secures Permanent Injunction in Trademark Suit for "AASHIRVAAD" Mark

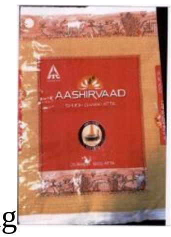
Case: ITC Limited vs Ajit Traders & Ors. [CS(COMM) 87/2019, I.A. 2333/2019 & I.A. 3492/2019]

Forum: High Court of Delhi

Order Dated: October 4, 2023

Issues:

- Whether the defendants were infringing on the trademarks and logos of ITC LIMITED, specifically "AASHIRVAAD" and "ITC"?
- Whether the packaging of the defendants' products was deceptively similar to that of ITC LIMITED's products?

Order: The order in ITC Limited vs Ajit Traders & Ors was pronounced on October 04, 2023, wherein the defendants in the suit were permanently injuncted from manufacturing, selling, offering for sale or advertising "atta" or any other product bearing the following packaging 

, or any other deceptively similar variant thereof, or from using the trademarks/logos "AASHIRVAAD", "ITC" or any derivative thereof.

The Hon'ble Court confirmed the interim injunction passed against Defendants No.1-5 and Defendants No. 7-10 on February 14, 2019 (commission was also issued against these defendants on February 14, 2023) on March 12, 2019 (para 6 of the order dated 12.03.2019). Further, the interim injunction passed against Defendants No. 15,17, 17(A),17(B) and Defendants No. 14,16 on August 14, 2019, was confirmed, and these defendants were permanently injuncted on October 18, 2019 (para 5 of the order dated 18.10.2019) and on December 11, 2019 (para 12 of the order dated 11.12.2019) respectively.

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Emphasising the highlights of this case, this order, in true essence, shows the evolving approach and leaning of the Court towards the less privileged classes/ strata of society. This is evident from Para 15 of the order dated March 12, 2019, when Defendants No. 1 to 5 and defendants No. 7 to 10 emphasised their inability to pay for the commission's charges/fee directions to the Plaintiff was issued by the court to collect the seized goods and deal as it deems fit, also to donate the contents of the product, i.e., consumable Aata to orphanages, if contents of the product found non-harmful.

The approach of infringers towards malpractices/using threat tactics was also highlighted in the suit as instances of Defendant No. 12A, Prahlad Rai Gupta, causing obstructions in the execution of the commission by threatening the commissioner and representative of Plaintiff was reported in the previous order. Although the judgement of Sapat and Company (Bombay) Private Limited vs. Fell Good India MANU/MH/0099/2019 was cited by senior counsel for the Plaintiff wherein a penalty of 25 lacs was imposed on similar conduct as that of Defendant No. 12, the hon'ble court had in the present case imposed a cost of 3 lacs against Defendant No. 12.

The matter was ordered (orally) on October 04, 2023, and as the suit stood decreed against all the defendants except Defendant No. 18 (C) (Counsel for the plaintiff stated that Amount of 55k agreed by Defendant No. 18 (C) during settlement remained unpaid as per order dated 28.03.2023), hence the suit was finally also decreed against Defendant 18(C) on October 04, 2023. Since the counsel Mr. Singhal who had appeared on behalf of defendant No. 18(C), had not filed an appropriate application as per court direction after seeking discharge from the proceedings on 28 March 2023 and Defendant 18(C) had repeatedly been defaulting in appearance, the court proceeded on the premise that counsel, Mr. Singhal continues to represent Defendant 18(C) in its order passed on 22 September 2023 when none appeared (none appeared for Defendant 18(C) on an earlier hearing date as well, i.e., May 25, 2023) and hence it proceeded ex-parte. The suit was decreed against Defendant No. 18(C), and the prayer for injunction and actual costs as incurred by the plaintiff were also awarded as per para 7 of the attached order dated October 04, 2023.

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To ascertain the cost, the matter has been sent back to the learned Registrar's court on October 31, 2023, whereby after the filing of the memo of cost by the counsel for the plaintiff, the memo of cost shall be prepared by the officer of registry based on bill of cost, material/data available filed by the counsel for the Plaintiff. The final prepared memo of the cost will be sent back to the registrar's court this coming December 19, 2023, for the final assessment/computation of cost. This judgement has created a deterrent effect on personnel/entities who plan to infringe on the goodwill and business of a reputed brand.

106. Unravelling the STJONSON vs ITCJOHNSON Trademark Dispute

Case: Ms. Ritu Bhadani Trading as M/S Sanskar Trading Company vs Mr. Paras Kumar Trading as M/S Indian Trading Company [CS(COMM) 632/2023 and I.A. 17330/2023, 17331/2023]

Forum: High Court of Delhi

Order Dated: October 4, 2023

Issue: Whether the defendant's use of the 'ITC JOHNSON' mark for similar products constitutes a trademark infringement of the plaintiff's registered 'STJONSON' mark?

Order: In the present case, the Plaintiff seeks enforcement of its right in the mark 'STJONSON', which is registered in its favour. The Plaintiff uses the said name and mark for readymade garments, hosiery, and other allied products. The Plaintiff is aggrieved by the Defendant's use of the mark 'ITC JOHNSON' for identical products. Both the Plaintiff and the Defendant are located in Gandhi Nagar, New Delhi.

The Plaintiff's trademark bearing no.1305922 is registered in class 25, and the Plaintiff also has pending applications in class 35. The Plaintiff found out in the year 2021 that the Defendant started using the mark 'ITC JOHNSON' and similar logo form when during the course of a routine market survey in Delhi, plaintiff's salesperson discovered shirts under the identical and similar trademark as that of the Plaintiff.

The Plaintiff submitted that the mark 'ITC JOHNSON' is being promoted through the website https://itcjohnson.company. The Plaintiff issued a legal notice on 13th October 2021. The Defendant sent a reply in November 2021 refusing to change the mark and also claimed that the marks are different from the Plaintiff's mark. The Defendant thereafter filed an application bearing No. 3940404 for the registration of the trademark ITC JOHNSON with respect to clothing (readymade garments), footwear, headgear, etc., included in class-25 claiming the user as "proposed to be used", which has been opposed by the Plaintiff dated 14th January 2022.

During the court proceedings, it was noted that the defendant, Mr. Paras Kumar, had passed away on March 12, 2020. However, various pleadings and submissions continued to be made under Mr. Paras Kumar's name, raising suspicions about who is operating the business under the 'ITC JOHNSON' name.

The court ordered the defendant's lawyer, Mr. Devesh Kumar Baranwal, to provide an affidavit explaining who authorised the submissions made in Mr. Paras Kumar's name. The court also appointed a local commissioner to investigate the use of the 'ITC JOHNSON' mark and products on the defendant's premises.

The case was scheduled for the next hearing on November 29, 2023, to consider the findings of the Local Commissioner and further proceedings. This case revolves around the alleged trademark infringement of 'STJONSON' by 'ITC JOHNSON,' and the court is taking steps to ascertain the identity of those responsible for the defendant's actions and products.

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107. Permanent Injunction Awarded for 'T.I.M.E.' Trademark Against 'T.I.M.E. Tirupati'

Case: Triumphant Institute of Management Education Pvt Ltd vs T.I.M.E. Tirupati & Ors. [CS(COMM) 320/2022 & I.A. 7567/2022]

Forum: High Court of Delhi

Order Dated: October 5, 2023

Issue: Whether the defendants' use of 'T.I.M.E.' mark and related elements infringes the plaintiff's trademark rights?

Order: The plaintiff, Triumphant Institute of Management Education (P) Ltd., claimed to be running a comprehensive chain of coaching institutes and training centres operating across the country, providing training for examinations to be undertaken by aspirants seeking entry into institutes of higher education.

The following trademarks belong to the plaintiff.

, , , , etc.

The plaintiff claimed to have 190 offices in 99 towns and cities across the country, including Delhi, Bangalore, Mumbai, Chennai, Hyderabad, Pune, Cochin, Kolkata, and others. In Delhi alone, the plaintiff claims to be running 10 coaching centres. It is further claimed that, by dint of its continued experience, the plaintiff has acquired a considerable reputation and goodwill in the field of educational training and coaching services.

The Plaintiff further submitted that, with the passage of time, the T.I.M.E. mark has become the plaintiff's source identifier. The plaintiff is also running a YouTube channel under the name "TIME4Education".

The plaintiff is aggrieved by the use, by the defendants, of an identical acronym, T.I.M.E., along with "Tirupati" and the logo. It is averred that, under the said logo, Defendants are providing services identical to those provided by the plaintiff and also advertising such services on various virtual channels, including social media platforms such as Instagram, Twitter, LinkedIn, Facebook and YouTube. The screenshots thereof have also been provided in the plaint.

The plaintiff provided a pictorial comparison of their trademark and the defendants' trademark in the lawsuit, highlighting the similarities and the use of the acronym "T.I.M.E."

Plaintiff's Trade Mark	Defendants' Trade Mark
T.I.M.E. Triumphant Institute of Management Education Pvt. Ltd.	T.I.M.E. TIRUPATI

The plaintiff averred that, by virtue of a franchise agreement dated 16 February 2013, the plaintiff had allowed Defendant 2 to run their coaching centres under the mark/name T.I.M.E. However, the said agreement, after having been renewed twice, was terminated on 15 February 2020. The use by the defendant of the Mark "T.I.M.E." after 15 February 2020 is therefore alleged to be infringing on the plaintiff's registered trademarks.

Even after 15 February 2020, the defendants are allegedly continuing to use the impugned mark "T.I.M.E. Tirupati". In these circumstances, the plaintiff issued a notice to the defendants on 5 January 2022, calling on the defendants to cease and desist from using the mark "T.I.M.E. Tirupati" or any other mark which incorporated T.I.M.E.", which was the dominant and identifying feature of the registered trademark of the plaintiff.

Defendants did not desist from continuing to use the impugned mark T.I.M.E. TIRUPATI, despite the said legal notice, the plaintiff has approached this Court, seeking a decree of permanent injunction, restraining the defendants, as well as all others acting on their behalf, from using "T.I.M.E. Tirupati" as any part of the mark/name used by the defendants for the services rendered by them including the impugned mark , apart from delivery-up, rendition of accounts and costs and damages.

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The Delhi High Court finds that the plaintiff's trademarks have been infringed, as the defendants are using similar marks for identical services, causing confusion among consumers. The court cites the South India Beverages case, emphasising that when the dominant part of a mark is copied, it constitutes infringement. Furthermore, since the plaintiff and defendants serve the same customer base and offer similar services, the classical test of triple identity is satisfied.

Section 29(2)(b) of the Trademarks Act is invoked, stating that infringement occurs when there is a similarity between the marks, identity or similarity of goods and services and a likelihood of confusion. The court finds these criteria are met in this case.

The court cites previous judgments in Laxmikant V. Patel v. Chetanbhai Shah and Midas Hygiene Industries P. Ltd. v. Sudhir Bhatia to emphasise that injunctions are warranted in cases of trademark infringement, and even a likelihood of injury is sufficient to grant an injunction. The court awards a decree of permanent injunction to the plaintiff, restraining the defendants from using marks including "T.I.M.E."

The court also orders the defendants to pay the actual costs of the lawsuit due to their non-cooperation and recalcitrant behaviour. The plaintiff is instructed to provide a statement of costs to be computed by the Taxation Officer. In conclusion, the court granted a permanent injunction and awarded the plaintiff the actual costs incurred in the case.

108. Legal Pulse Check: Delhi High Court Orders Removal of Defamatory Videos Against Pulse Candy

Forum: High Court of Delhi

Case: Dharampal Satyapal Foods Ltd. vs Study Lover [CS(COMM) 701/2023 and I.A. 19499-19505/2023]

Order Dated: October 5, 2023

Issue: Whether the defendant's videos, making false claims that consuming the plaintiff's Pulse Candy causes cancer, should be taken down as they are defamatory and based on unverified information?

Order: Dharampal Satyapal Foods Ltd. (the plaintiff) is a renowned manufacturer of various food products, including candies, under brands such as Rajnigandha, Catch, Pass-Pass, Chingles, and Pulse. Pulse Candy, a hard-boiled flavoured candy filled with salt and spices, was introduced in 2013 under the "Pass Pass" brand. The plaintiff's product, Pulse Candy, is certified and licensed by the Food Safety and Standards Authority of India (FSSAI).

The plaintiff filed a case against Defendants 1 to 4, 6, and 7, alleging that they had uploaded videos that falsely claimed that consuming Pulse Candy causes cancer. One of the videos, titled "Harmful Effect of Pulse Toffee | Most Famous Candy of India," was uploaded by Defendant 7. The plaintiff contended that these videos contained false, defamatory, and objectionable allegations against Pulse Candy.

Upon discovering the video, the plaintiff sent a cease-and-desist notice to Defendant 7, requesting the removal of the video. Although Defendant 7 gave an undertaking to delete the video, the video was only set to private and not completely removed. Subsequently, Defendants 1 to 4 re-uploaded the video, making it accessible on the internet. The plaintiff argued that these videos were tarnishing their reputation, diluting the brand name, and spreading false information.

The court emphasised the importance of the right to freedom of speech, especially when based on verifiable facts supported by credible test reports. Sensationalising such facts could lead to unwarranted panic. In cases where baseless fear is created, particularly for approved products, it is impermissible.

The court referred to the case of Mother Dairy Foods & Processing Ltd. v. Zee Telefilms Ltd., which states that if a defendant pleads justification, no interim injunction can be granted. However, if there are mala fides (ill intentions) or other factors leading to sweeping comments with wider ramifications, an injunction is warranted.

In this case, the court noted that if Defendant 7 had already admitted the video was misleading, no one else should be allowed to repost it. Therefore, the impugned videos should be taken down. However, the court clarified that if the defendants wish to upload factual or other videos regarding the plaintiff's Pulse Candy without sensationalising them and based on scientifically verifiable test reports, they are free to do so.

The court ordered Defendants 1, 2, 3, 4, and 7, as well as any unknown defendants, to remove the impugned videos. If they failed to do so within 48 hours, the plaintiff would provide the video URLs to Google LLC, which would take them down within 72 hours. Google LLC was also directed to disclose the identity, basic subscriber information, and account registration details of the video uploaders whose information was not available to the plaintiff. The case was scheduled to be heard again on March 26, 2024.

109. Delhi High Court Restrains China Social from Using Mark Similar to 'SOCIAL'

Case: Impresario Entertainment and Hospitality (P) Ltd. vs China Social [CS(COMM) 702/2023 and I.A. 19541-19545/2023]

Forum: High Court of Delhi

Order Dated: October 6, 2023

Issue: Whether the use of mark by the defendants infringes the registered trademark of the defendant?

Order: The present suit has been filed by the Plaintiff-Impresario Entertainment and Hospitality Pvt. Ltd. seeking enforcement and protection of its trademark/service mark 'SOCIAL', used in respect of restaurants, coffee shops and other eating outlets. The Plaintiff is engaged in managing restaurants, coffee shops, cafes, etc., under the trademark 'SOCIAL'. The names used by the Plaintiff for the outlets/restaurants operated include Smoke House Deli, Saltwater Cafe, Le Kebabiere, The Tasting Room, Prithvi Cafe, Flea Bazar and Social. The Plaintiff is stated to have commenced business in 2001 and won various awards for excelling in its services.

It is averred that the Plaintiff conceived of the mark/name 'SOCIAL' in 2011-12, for eating outlets. The Plaintiff claims to have more than 45 outlets spread across various states in the country. The name/mark of the Plaintiff is also registered in various classes such as classes 43,43,41,35,33,32, 30, 25, 21, 16 and 9. The Plaintiff enjoys a word mark registration in Class 43 for the mark 'SOCIAL'.

The plaintiff's grievance in the present suit is that the Defendant, Mr. Debaditya Chaudhury, is running a cloud kitchen by the name 'CHINA SOCIAL'. The Plaintiff became aware of the same only in August 2023, when the Plaintiff came across listings on Zomato, Delhi and Zomato, Calcutta. Further, it is averred that the Defendant is promoting its cloud kitchen with the impugned trademark ‘CHINA SOCIAL’ not only on restaurant search engines but also on the social networking platform, Instagram. The competing marks of the parties are set out below:

Plaintiff’s Trademark	***Defendant’s Trademark***
SOCIAL	CHINA SOCIAL

The Delhi High Court After Considering the fact that the Plaintiff is a prior adopter and user of the registered trademark ‘SOCIAL’ and its variants, the use of the impugned mark by the Defendant amounts to infringement under Section 29 of the Trade Marks Act, 1999. The Defendant’s adoption is very recent, i.e., December 2022, and it has used the mark ‘SOCIAL’ for identical services, i.e., eating and food preparations, which would lead to confusion and deception. It is clear that the adoption of a deceptively similar trademark by Defendant ‘CHINA SOCIAL’ is aimed at passing off Defendant’s services as that of Plaintiff. There is every likelihood of the Defendant’s cloud kitchen services being perceived as another extension of the Plaintiff’s services owing to the nature of the SOCIAL series of marks used by the Plaintiff.

The court relied on Laxmikant v. Patel v. Chetanbhai Shah & Ors. And opined that the Plaintiff has made out a prima facie the case for the grant of an ex-parte ad interim injunction. Balance of convenience lies with the Plaintiff, and further, if the ex-parte injunction is not granted, irreparable harm would be caused to the Plaintiff.

The court directed that the Defendant-China Social, through its proprietor, Mr. Debaditya Chaudhury shall stand restrained from using the mark ‘CHINA SOCIAL’ or any other mark or name for services related to food, including restaurants, cafes, etc., under the mark ‘CHINA SOCIAL’ or any other mark which consists of the word ‘SOCIAL’ or any other deceptively similar mark/name.

110. NEW BALANCE between Manufacturing and Selling Counterfeit Goods

Case: New Balance vs Salman Khan and Anr. [CS(COMM) 553/2022]

Forum: High Court of Delhi

Order Dated: October 9, 2023

Issue: Whether the defendant was infringing upon the registered marks "NEW BALANCE"/ logo of the plaintiff and whether the defendant was involved in selling counterfeit goods?

Order: In the recent case of ***New Balance Athletics vs Salman Khan and Anr.***, the plaintiff filed a suit against the Defendants seeking a permanent injunction to restrain the Defendants from infringing its registered marks "**NEW BALANCE**"/ and from selling counterfeit goods. The factual matrix of this case is that the plaintiff is a registered proprietor of various marks, including the marks "**NEW BALANCE**" and (*hereinafter collectively referred to as "**NB marks**"*) in classes 18 and 25 in respect of footwear and readymade clothing. The plaintiff claimed they had used the mark "NEW BALANCE" in the USA since 1951 and in India since 1986. The plaintiff further submitted that using the abbreviated / "**NB**" marks commenced in 1986 in India. The plaintiff's organisation, with over 8000 employees, pertained to a business widespread in over 120 countries in relation to goods such as footwear and readymade clothing bearing the **NB marks**. The plaintiff's business and **NB marks** have gained sufficient goodwill and reputation.

Further, the plaintiff owned and operated the website www.newbalance.com. The plaintiff also claimed to own over 300 country code domain names, including domain names that incorporate the plaintiff's marks, such as nbathletics.com, newbalanceathletics.com, nbdetroit.com,

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etc. The plaintiff also submitted its sales for 2019 and 2020, along with the advertisement and promotional expenditure incurred by the plaintiff for the promotion of its **NB marks** through online and offline modes. The plaintiff further submitted a few enforcement orders passed by the Court to safeguard its **NB marks** against infringement and passing off. In view of the above, the plaintiff alleged that the Defendants were selling counterfeit goods, such as readymade clothes, using the Plaintiff's **NB marks** through offline and online modes such as IndiaMart, Myntra, etc. The plaintiff placed on record the following screenshots of the Defendants corroborating the above:

During the proceedings of the case, a Local Commissioner was appointed by the Court vide its order dated August 17, 2022, and was directed to visit the Defendants' premises, who were engaged in the sale of counterfeit products using the **NB marks** of the plaintiff. The report by the Local Commissioner confirmed that at the premises of Defendant No. 1, various counterfeit sports apparel, including apparel bearing Plaintiff's **NB marks,** were found. These products were obtained from Defendant No. 3.

On the visit to the factory of Defendant No. 3, it was reported that the defendant obstructed the execution of the commission and failed to provide the keys to the factory. In this regard, Defendant No. 1 submitted that the defendant was, in fact, selling counterfeit products; however, the said products were manufactured and supplied by Defendant No. 3, and thus, he was not indulged in any conscious violation or infringement of the plaintiff's registered **NB marks**, as he was merely a dealer of the goods which were sourced from the manufacturer. In this regard, the Court opined that such a ground is merely a ground of defence as the sale of counterfeit goods bearing deceptively similar marks is as much a tort of infringement or passing off as the manufacture of such goods.

The Court decreed the suit under Order VIII Rule 10 of the Code of the Civil Procedure, 1908 and relied on its judgement in ***Louis Vuitton Malletier v. Capital General Store*** and reiterated that counterfeiting was a serious social evil which erodes brand value, which may have been gained over a long period of time by any brand. It was held that the plaintiff made out a clear case of infringement and passing off by the Defendants of their products bearing the Plaintiff's **NB marks** as the products of the plaintiff. Accordingly, a permanent injunction was granted in favour of the plaintiff and against the Defendants. Further, the Defendants were also directed to pay the actual costs of the suit to the plaintiff, for which the matter is now placed before the Taxation Officer for computation.

111. Punitive Action Requires Conclusive Proof and Cannot be Taken on Presumptive Disobedience

Case: Cross Fit LLC vs Mr. Renjith Kunnumal and Anr. [CS(COMM) 251/2021 & I.A. 13333/2022]

Forum: High Court of Delhi

Order Dated: October 9, 2023

Issue: Whether the defendant, Mr. Renjith Kunnumal, was in contempt of a previous court order dated July 8, 2021, which refrained the defendant from using the mark "CrossFit" or any other mark/logo identical or deceptively similar to the plaintiff's mark?

Order: The Plaintiff, Cross Fit LLC, had filed an application alleging disobedience of a previous order dated July 8, 2021. The said order contained operative directions where the Defendant, Mr. Renjith Kunnumal, was injuncted from using the mark "CrossFit" or any other mark/logo identical or deceptively similar to the plaintiff's mark. The Defendant was also directed to take down their website, domain name, and all the listings containing the word/mark CrossFit, including their social media pages.

Through the application filed on August 23, 2022, the plaintiff alleged a violation of directions in the order. The Court appointed a local commissioner to investigate the Defendant's premises in Kozhikode. The investigation revealed that the mark "CrossFit" was used in the gym premises, hoardings, membership application forms and online trade directories under the name “SFC CROSS FIT”. The Local Commissioner noted that Defendant 1 was not present at the premises.

Defendant 1 submitted that their partnership with SFC CROSSFIT was dissolved on May 28, 2019, and they ceased to have any association with the gym or control over the website. The fact that the name or phone number emerged when the gym was searched for is not attributed to Defendant 1. The plaintiff had countered Defendant 1's submission, arguing that despite the dissolution of the Partnership Deed, the mark was still associated with Defendant 1 and used for the Gym premises.

The Court heard the arguments from both parties and relied on ***Food Corporation of India v. Sukh Deo Prasad, (2009) 5 SCC 665***, wherein the Supreme Court held that that the power exercised under Order 39 Rule 2A of the Code of Civil Procedure, 1908 was similar to the power of the civil contempt under the Contempt of Courts Act, 1971, and the disobedience had to be proved 'beyond any doubt' by the person who complained of such disobedience. That the power has no place in "surmises, suspicions and inferences".

The Court also relied on ***U.C. Surendranath v. Mambally's Bakery (2019) 20 SCC 666***, holding in the affirmative and the decision in ***N.V Investment Holdings LLC v. Future Retail Ltd. (2022) 1 SCC 209***.

The Court accepted Defendant 1's contention that, having disassociated himself from the gym and its activities post-May 28, 2019, the email ID of the Gym cannot be regarded as his Email ID. Any act committed before August 31, 2022, cannot amount to disobedience by Defendant 1.

The plaintiff was also unable to provide conclusive proof, which is beyond a reasonable doubt, that Defendant 1 associated himself with the activities of the Gym post-dissolution of the partnership on May 28, 2019. The fact that the gym was set up by Defendant 1 or that it was surviving due to their professional expertise is not conclusive proof of Defendant 1's current involvement.

The Court also opined that the fact that the name and phone number of Defendant 1 continued to be reflected on the gym's website, but no conscious efforts were made to remove it- also does not constitute disobedience. Further, since the present case was being examined for whether Defendant 1 can be held guilty of violating directions given in the order dated July 8, 2021, and no such convincing proof of violation can be found, other considerations cease to be of relevance.

In light of the above analysis, the Court did not find sufficient evidence to prove that Defendant 1 was guilty of contempt of the court order and dismissed the application for punitive action within legitimate peripheries of Order 39 Rule 2A of the Code of Civil Procedure.

112. The Interface Between Trade Mark Perception and Consumer Awareness

Case: Sopariwala Exports & Ors. vs Ashraf V [CS(COMM) 259/2021]

Forum: High Court of Delhi

Order Dated: October 9, 2023

Issue: Whether the use of mark 

by the defendant is an infringement of mark 

of the plaintiff?

Order: Plaintiff 1 (Sopariwala Exports) is the registered proprietor of 

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and AFZAL marks and has been using the marks since 1977 in the export of tobacco. In the years 2015, 2020 and 2013, plaintiff 1 assigned the marks to Plaintiff 2 and granted non-exclusive licenses to plaintiffs 3 and 4, respectively, for using the marks in the export of tobacco. Plaintiff 4 in addition to engaging in export, also sells tobacco within the territory of India under the mark AFZAL. Plaintiff 1 also holds a copyright registration for the 

label, which is the trade dress/packaging of the plaintiffs. The Plaintiffs collectively operate a website and have been recognised by the Government of India as a STAR EXPORT HOUSE in accordance with their exporting capabilities and contribution to foreign trade.

The suit was filed as a result of the sale of tobacco by the Defendant under the mark 

. The Defendant did not file any defence to the submissions of the Plaintiffs despite repeated summons, and therefore, the present decree was passed ex-parte in accordance with Order VIII Rule 10 of the Civil Code of Procedure, which grants the Court the power to pass a decree against the Defendant when no submission is made within the allotted time period.

<u>Observations and Findings</u>

The claims of the Plaintiff were admitted on the principle of non-traverse, allowing for claims to be admitted if not denied as provided for under Order VIII Rule 5 of the Civil Code of Procedure. The Court considered the marks of the Plaintiffs and the Defendant that are given below and stated that prima facie the Defendant is liable for infringement and passing off due to the obvious phonetic similarity between the marks.

PLAINTIFFS' MARK	DEFENDANT'S MARK
	

The Court relied upon the observations made in the Pianotist Co. Ltd. case and stated that in addition to considerations of phonetic similarity, the consumers of the products must be evaluated. The Court stated that the perception of consumers towards trade marks must be seen as being of average intelligence and imperfect memory. The Court noted that tobacco is marketed towards lay people and analysed the marks from the perspective of a lay person in deciding the likelihood of confusion. The Court stated that consumers must be perceived as seeing the marks one at a time and not as though they have the opportunity to see them side by side.

The Court held that if, upon viewing the Defendant's mark, a consumer is likely to wonder whether he has seen the mark elsewhere, then the likelihood of confusion as explained under Section 29(2) of the Trade Marks Act stands satisfied. The Court inferred this by discussing the observations made in Shree Nath Heritage Liquor v. Allied Blenders, wherein various studies and articles relating to memory, recollection and perception were identified and discussed.

The Court also relied on the observation in Slazenger & Sons v. Feltham & Co., which states that the web of deception in potential trade mark infringement suits is not easy to discern and therefore, if one, despite trying to discern the source of a product fails to do so, a suit for infringement is made out. The Court reiterated the phonetic similarity between the marks and stated that the intention to deceive was unambiguous.

The Court passed a decree of permanent injunction against the Defendant, restraining them from using the mark AFSALs or 

and from adopting the impugned trade dress. The judgement reinforces the principle that a likelihood of confusion between the marks would result in an infringement of the trade mark of the prior user / registered proprietor.

113. Appointing Local Commissioner without Adjudication on Grant of Interim Injunction Amounts to Exceeding Jurisdiction by District Court

Case: S. S. Industries vs Pavan Kumar Gupta Trading as Vapnr Traders [CM(M)-IPD 12/2023]

Forum: High Court of Delhi

Judgment Dated: October 10, 2023

Issue: Whether the ex-parte order passed by the District Judge, appointing a Local Commissioner to seize the defendant's helmets and machinery without allowing the defendant to file a response valid?

Judgment: The Plaintiff, Pavan Kumar Gupta, trading as 'Vapnr traders', filed a design infringement suit against the Defendant, S.S. Industries, alleging that the defendant's shell helmets bore a design which is deceptively similar to the registered design of the plaintiff.

In the original suit, the District Judge (Commercial Court) passed an *ex-parte* order dated August 18, 2023, appointing a Local Commissioner to visit the defendant's premises and seize the shell helmets in question without allowing the defendant to file a response. Further, the order also directed the Local Commissioner to seize the machinery used to manufacture the helmets.

The defendant, aggrieved by the order passed in the first hearing by the District Judge, filed a petition in the Delhi High Court stating that the District Judge (Commercial Court) had acted in excess of the jurisdiction vested in them. On September 21 2023, the Delhi High Court set aside the above order passed by the District Judge (Commercial court) for exceeding jurisdiction. According to the High Court, when an application is filed for interlocutory injunction and for the appointment of a Local Commissioner to seize and investigate, the prima facie findings on merits must be returned while passing orders in an application pleading for interlocutory injunction. The Court explained that the purpose of appointing a Local Commissioner is only to preserve the object of the litigation, ascertain the exact stock of the allegedly infringing products, if any, and maintain status in respect thereof.

Hence, the Court concluded that in this case, the District Court appears to have followed a peculiar procedure in which, while merely notice has been issued and application has been disposed of with the directions by appointing a Local Commissioner and directing inventorization and seizure of goods which are found. Such an order, in the opinion of the Court, amounted to exceeding the jurisdiction vested with the District Court.

In the present case, the question of adjudicating on the prayer of granting interlocutory petition to the Respondent (the plaintiff in the original suit) remained unanswered. Hence, until the District Court renders a decision on the original prayer for the grant of the interlocutory petition, the petitioner is free to use the concerned design, as per the Respondent. The petitioner prayed for permission to use the moulds and machinery that had been seized and agreed not to deal with the helmets that the local commissioner had already seized.

The Court agreed not to interfere with the seizure of helmets by the Local Commissioner that bear the allegedly infringed designs. It, however, directed that the petitioner shall be entitled to use the moulds and machinery to manufacture the helmets till the District Court / Commercial Court takes a decision on the application filed by the Respondent for want of temporary injunction against the sale of alleged helmets.

114. When the Claim of Disparaging Advertising Gets Far Too Stretched!

Case: Tata Sons Private Limited & Anr. vs Puro Wellness Private Limited & Anr [CS(OS) 582/2023]

Forum: High Court of Delhi

Order Dated: October 10, 2023

Issue: Whether the defendant's advertisement disparaged white salt in general, including Tata Salt, and whether the plaintiffs were entitled to injunctive relief?

Order: In a recent case, Tata Sons Pvt. Ltd. and Tata Consumer Products Ltd. ("Plaintiffs") brought a suit before the Hon'ble Delhi High Court to restrain the airing of an allegedly disparaging advertisement of the Defendant, Puro Wellness Pvt. Ltd., pertaining to its product "Puro Healthy Salt", which was a pink coloured rock salt. The plaintiffs claimed that the advertisement of the defendant was disparaging white salt in general. Since it was a major player in the white salt market, the ad was offensive and effectively disparaged its product as well.

The Plaintiffs claimed that the impression conveyed by the impugned commercial, seen as a whole, was that all white salt, impliedly including the Plaintiffs' TATA Salt, was unhealthy. The commercial clearly showed the Defendant's Puro salt alongside white salt, thereby disparaging all-white salt in general. It was also alleged by the Plaintiffs that describing any food item as "healthy" was misleading and prohibited under the Food Safety Regulations.

Further, stating that all white salt was bleached using hazardous chemicals, impliedly including TATA Salt, and that "Puro" did not add chemicals to its salt was misleading as salt is never bleached and adding the prescribed quantity of anti-caking agent to salt to make it free flowing was anyway permissible, and even iodisation of white salt was mandatory under FSSAI Regulations. It was pointed out that the impugned advertisement did not specifically refer to TATA Salt of the Plaintiffs. However, as it commanded a 34% market share of the white salt market, the ad was most injurious to the Plaintiffs. In view of the above, it was prayed that till the disposal of the

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suit, the defendant was to be restrained from continuing to air the impugned advertisement.

The defendant, in its defence, argued that even the Plaintiffs manufactured and sold their own brand of "Himalayan Pink Salt", in which the attributes of their products were described in precisely the same terms in which the defendant described its product in the impugned ad, and that the plaintiffs concealed this fact. It was also contended by the defendant that the Plaintiffs could not seek to restrain it from using the term "Healthy" as part of its branding, as the defendant had registered in its favour "Puro Healthy Salt" as a trademark under the Trade Marks Act, 1999 since June 14, 2018.

It was further averred that the Plaintiffs' reliance on Food Safety Regulations was misconceived as the defendant did not employ any of the expressions that were prohibited and also since the prohibition only applied to the use of such expressions when they were likely to mislead consumers as to the nature of the food. No such misleading impression was conveyed by any term or expression used by the defendant in its commercial. The Court's attention was also drawn to the literature issued by the Ministry of Ayush, Government of India, which advised the consumption of rock salt over white salt, as the former was healthy and the latter unhealthy. Thus, rock salt, as a matter of fact, had been considered healthy and was always promoted as such.

The defendant also argued that the standard to be established to succeed in a claim of class disparagement was much higher than in cases where a product was specifically disparaged, as the Court had additionally to satisfy itself that disparagement of the class, assuming it was found to exist, resulted in disparagement of the Plaintiffs' products. It was also contended that although the Plaintiffs could claim not to bleach their salt, they could not lay any such claim with respect to all other manufacturers of white salt, which constituted nearly 70% of the market. The attempt of the defendant in the commercial was not to run down white salt but to emphasise the fact that the rock salt made and sold by it was natural. The commercial was, therefore, "comparison positive", not "comparison negative".

After hearing both parties, the Court held and observed that extolling one's product, even if it bordered on exaggeration, was perfectly permissible in comparative advertising. As long as it did not contain serious representations of qualitative or quantitative facts, it did not have to pass the test of truth. However, the denigration of the rival's product was prohibited. Declaring one's product to be superior to the others, or even to all others', was permissible in comparative advertising. It is only where the purported inferiority of others' products to one's own was attributed to some specific feature, which was described in qualitative or quantitative terms, that the truth of the assertion was required to be established.

It was further held that in cases where commercials and advertisements are called into question as being disparaging, what weighed in the balance was the right to free speech and to promote one's product in the manner one deemed appropriate. This was an essential feature of the right to trade and business. A competitor must not be permitted, by seeking recourse to litigative measures or by approaching the Court, to dictate the manner in which his rival's product is to be advertised. His right begins and ends with ensuring that his product is not disparaged. The highest that he could seek is that the rival does not, in puffing up his product, resort to serious misrepresentations of fact.

In view of the above, the Court did not find anything questionable about the advertisement issued by the defendant. The Court specifically observed that the defendant made no misrepresentation of fact regarding Puro Healthy Salt. It was further observed that the Plaintiffs were erroneously reading into the impugned advertisement that any adverse comments, made impliedly or otherwise, regarding white salt in general, were targeted at or involved the Plaintiffs' Tata White Salt. The Court observed that the principles enunciated in binding precedential decisions did not permit or justify any such inferences being drawn as a basis to seek an injunction on the ground of disparagement.

Thus, the Court held that the defendant's advertisement was well within the boundaries of what was permissible in comparative advertising. The Court concluded that the Plaintiffs had failed to make out a *prima facie* case justifying any interference with the continued broadcasting of the defendant's ad. The Court emphasised that the plaintiffs were disentitled to any injunctive, interlocutory relief also because they based their plaint on an assertion of the defendant in the impugned ad that its product was "healthy", especially when the plaintiffs had themselves made similar assertions in their own ads for ‘Himalayan Pink Salt’.

Thus, the Court noted, was even suppressed in the plaint. It was observed that the very same features of the plaintiffs’ ‘Himalayan Pink Salt’ were extolled in their own advertisements, which have been emphasised by the defendant in the impugned advertisement. It was held and observed that touting one’s own salt as a “healthy alternative” to white salt by the plaintiffs disentitled them from obtaining any interlocutory injunctive relief, even in equity, in addition to the merits of the case, which were also not in favour of the Plaintiffs. As a result, the Court dismissed the Plaintiff's application for interim injunction.

115. Delhi High Court's Insightful Decision in Favour of Japan Patent Office against Misuse of its Logo by Indian Entities

Case: Japan Patent Office vs Ms. A2Z Glass and Glazing Co. & Ors. [CS(COMM) 720/2023]

Forum: High Court of Delhi

Order Dated: October 11, 2023

Issue: Whether the use of mark by the defendant is an infringement of mark of the plaintiff, Japan Patent Office?

Order: The **Japan Patent Office (plaintiff)** has filed a lawsuit against 3 defendants: **M/s. A2Z Glass & Glazing Co. & Ors., M/s Future Architectural Glass Fitting & M/s Future Overseas** are seeking an injunction for the illegal use of its identical logo for the manufacture and sale of tools and kits. The present lawsuit highlights an ironic scenario in which an Indian company and its affiliated entities adopted the logo of the Japan Patent Office (JPO) in an identical manner.

The Japan Patent Office (JPO), a governmental agency operating under the Ministry of Economy, Trade and Industry, Japan, is responsible for overseeing Industrial Property Rights affairs within the country. With a notable presence in India and a strong reputation, the JPO has engaged in various initiatives, including the establishment of a Patent Prosecution Highway with India in 2019, making Japan the first country to do so with India. The Plaintiff adopted its logo / JPO in 2011 to commemorate the 125th anniversary of the Japanese Industrial Property System in Japan. The Plaintiff's primary contention is that the defendants have blatantly copied the 'JPO' mark/logo for the manufacturing and sale of their products in India. Furthermore, the defendants have also filed for trademark registration of the logo / JPO PLATINUM with identical colour combinations and are also embossing the said logo on their products.

The Delhi High Court stated that the Defendant's adoption of the identical colour combination and logo from JPO is unquestionably a clear case of imitation. Emphasising the originality of JPO's logo as an artistic work entitled to copyright protection, the court underscored that, since the date of its creation, Japan has been a WTO country. The court asserted that under Section 14 of the Copyright Act, JPO has exclusive rights to its logo.

Though the JPO doesn't have a registered trademark or copyright in its favour however, the court highlighted that it's reasonable to assume the JPO didn't anticipate such imitation, making the defendant's use of the logo a violation of the JPO's long-standing goodwill and brand equity. The court explicitly stated that the defendants provided no satisfactory explanation for adopting the identical logo, strengthening the argument for protecting the JPO's intellectual property rights. In the court's view, the defendants' use not only poses a risk of diluting the JPO's distinct identity but also constitutes a clear infringement of its copyright protection.

The court stated that the Plaintiff had successfully established a prima facie case, justifying the grant of an ex parte injunction. Considering the balance of convenience and the Plaintiff's enduring reputation and goodwill, the Delhi High Court has, in its legal decree, issued an injunction against the defendant companies. This judicial order explicitly restrains them from any further use of the logo 'JPO PLATINUM' or any other mark identical or similar to the JPO mark and logo concerning any products or services, effective immediately.

The Delhi High Court found the entire case rather ironic, comparing it to “a theft being committed in a police station” situation. The court pointed out that JPO (Japan Patent Office) is responsible for protecting and granting registrations to intellectual property owners and discovered that its own mark/logo had been illegally adopted by the defendants. Justice Pratibha M. Singh stated that the logo of JPO ought to be given copyright protection, considering it is an original artistic work. Consequently, the Delhi High Court issued a restraining order, prohibiting the defendants and their representatives from using the impugned JPO mark, JPO logo, the impugned word mark 'JPO PLATINUM,' or any similar mark in connection with products or services with immediate effect.

116. The Spicy Trade Mark Dispute Over ‘SCHEZWAN CHUTNEY’ Mark

Case: Vimal Agro Products P. Ltd. vs Capital Foods P. Ltd. [C.O. (COMM.IPD-TM) 227 of 2023]

Forum: High Court of Delhi

Order Dated: October 11, 2023

Issue: Whether the 'SCHEZWAN CHUTNEY' trademark is descriptive or generic, and which court has jurisdiction over the cancellation proceedings?

Order: The present rectification petition filed by the Petitioner-Vimal Agro Products Private Limited under Section 57 of the Trade Marks Act, 1999, seeks cancellation of the trade mark ‘SCHEZWAN CHUTNEY’ bearing No. 2431851 dated 22nd November 2012 in Class 30 registered by the Respondent No. 1-Capital Foods P. Ltd. The said trademark relates to a large number of food products, including chutneys, salads, dressings, sauces, snack foods, and so on.

The case of the Petitioner is that ‘SCHEZWAN CHUTNEY’ is a descriptive and generic mark. Furthermore, Mr. Gupta ld. Counsel, argues that the Respondent No. 1 Capital Foods P. Ltd., did not reply to the objection raised by the Respondent No. 2-Registrar of Trademarks under Section 9 of the Trade Marks Act, 1999. It is stated that no reply was filed, and therefore, the said application was abandoned via an order dated 29 March 2016. However, despite this, the Registrar granted the registration without addressing the objection under Section 9 of the Trade Marks Act, 1999.

The court observed that the issues surrounding the generic or descriptive nature of the 'SCHEZWAN CHUTNEY' mark and the matter of territorial jurisdiction were already under consideration by the Division Bench. The Division Bench had even made prima facie observations indicating that the mark had acquired secondary significance.

After considering the situation, the court decided not to issue a stay on the registration of the 'SCHEZWAN CHUTNEY' mark. Instead, it directed Capital Foods P. Ltd. to file a response regarding the issue of territorial jurisdiction within a four-week timeframe.

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The court intended to address this jurisdictional matter at the outset of the proceedings. The case was scheduled for its next hearing on February 21, 2024.

117. "Delhi High Court Restrains Capital TV from Using TV Today's Trademarks

Case: TV Today Network Ltd. vs Capital TV [CS(COMM) 727 of 2023]

Forum: High Court of Delhi

Order Dated: October 12, 2023

Issue: Whether Capital TV'S use of program names identical to those registered by the TV Today Network Ltd. constituted trademark infringement?

Order: TV Today Network Ltd., a well-known media company operating popular TV channels like 'AajTak,' 'India Today Television,' and 'Good News Today,' filed a lawsuit seeking protection for its television program names. The plaintiff argued that certain program names, such as 'TO THE POINT' and 'SPECIAL REPORT,' were registered under the Trade Marks Act, 1999 and that the defendant, Capital TV (Defendant 1), had produced programs with identical names. Defendant 1 operated a digital news and current affairs platform on its website and various social media platforms. This led to a dispute over the similarity of program names between the plaintiff and Defendant 1.

The court found that the plaintiff's television channels were popular, and certain program names were associated with specific content produced by the plaintiff. While the specific words used for the news programs might not be individually capable of being monopolised, the combination marks could be protected if they had acquired secondary significance. The court noted that Defendant 1 had imitated several logos/marks of the plaintiff in identical or deceptively similar fonts, appearance, and colour schemes.

The comparison of competing names used by the plaintiff and Defendant 1 was as follows:

The court held that the plaintiff had made out a prima facie case of passing off and trademark infringement. It opined that the intention of Defendant 1 appeared to be either passing off its programs as those of the plaintiff or claiming some affiliation with the plaintiff.

S. No.	Plaintiff's Program	Plaintiff's Trade Mark	Defendant's Infringing/ Impugned Mark
(a)	TO THE POINT	TO THE POINT	TO THE POINT
(b)	Halla Bol	हल्ला बोल	
(c)	Special Report		SPECIAL REPORT
(d)	Black & White		BLACK WHITE
(e)	Kismat Connection	किस्मत कनेक्शन	

The balance of convenience favoured the plaintiff, and the court believed that failing to issue an injunction would cause irreparable harm to the plaintiff. As a result, the court restrained Defendant 1 from using the logos/marks "TO THE POINT," "HALLA BOL," "SPECIAL REPORT," "BLACK & WHITE," "KISMAT CONNECTION," or any other mark deceptively similar to the plaintiff's marks in the context of news/current affairs programs. However, individual words, common in Hindi and English, could be used differently or in conjunction with other combinations, provided they were clearly distinguishable from the plaintiff's programs.

Defendant 1 was ordered to take down all links related to these programs on online platforms. If they failed to comply, the plaintiff could communicate the URLs to the respective platforms for removal, especially if the program names were identical. Parties were permitted to approach the court for clarification on any doubts. The matter was listed for further proceedings on April 9, 2024.

118. NYKAA vs OYKAA: Delhi High Court Grants Injunction Over Use of OYKAA Mark

Case: FSN E-Commerce Ventures Ltd. vs Pintu Kumar Yadav [CS(COMM) 726 of 2023]

Forum: High Court of Delhi

Order Dated: October 12, 2023

Issue: Whether the use of mark 'OYKAA' by the defendants infringes the plaintiff's mark 'NYKAA'?

Order: This case has been filled by the Plaintiff No.1- FSN E-Commerce Ventures Ltd. and Plaintiff No.2- Nykaa E-Retail Pvt. Ltd. seeking protection of the trademark 'NYKAA' against misuse by the Defendant No.1-Mr. Pintu Kumar Yadav and Defendant No.2- Cosmetify.

Plaintiffs are engaged in the manufacture, sale, and distribution of several cosmetic products, including makeup, skincare, haircare, fragrances, bath and body products, as well as clothing, footwear, accessories, jewellery, and other wellness products. The Plaintiffs had also run an online wellness store since 2012 when they adopted the mark 'NYKAA'. The online platform also showcases and offers for sale various branded cosmetics of third parties such as Lakme, Estee Lauder, Huda Beauty, etc.

The www.nykaa.com platform, which was registered by Plaintiff No.1 on 5th March 2012, claims to be one of the most well-known e-commerce platforms with a large range of products, especially focusing on products for women, including their own brand products manufactured by them, under various trademarks, including 'NYKAA'. These include skincare products, hair products, personal care, and wellness products. The Plaintiffs currently claim to be enjoying a market capitalization of 5.25 billion dollars and are one of the most well-known companies in India in the cosmetic and wellness sector. The Plaintiffs also have 145 stores which are dedicated to beauty and personal care products, and 9 fashion stores across 60 cities in India.

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Since its adoption in 2012, the mark' NYKAA' is stated to have evolved into one of the well-known trademarks in India. The Plaintiffs claim that they have applied for the well-known status, bearing application no.816588.

The Plaintiffs have also obtained registrations for the said marks and logos 'NYKAA' in various classes as set out in paragraph 26 of the plaint; these include classes 3, 16, 24,25, 35, 42 and 44. The Plaintiffs also have global registrations for the mark 'NYKAA' in countries like Singapore, UAE, United Kingdom, Bangladesh, Kuwait, Qatar etc.

The plaintiffs' grievance was that the defendants applied for the mark 'OYKAA' in 2022 in respect of a large range of cosmetic products in class 3 on a proposed to-be-used basis, and defendants were engaged in identical goods and services, i.e., makeup, skincare, wellness products for women and men under the mark 'OYKAA'. Defendant 1 was marketing various cosmetic products and had a website, www.oykaa.com. Defendant 2 was the manufacturer of such products and claims to run the website www.cosmetify.in, which was a cosmetic company providing services in skincare, hair care, etc.

The Delhi High Court opined that the mark, the name, and the overall look and feel of the website gave a clear impression that the defendants were making a deliberate attempt to imitate and copy the plaintiff's name/mark 'NYKAA' only to gain monetarily by such deception.

Comparison of plaintiffs' and defendants' marks and the website.

Plaintiffs' Mark/website	Defendants' Mark/website
NYKAA	OYKAA
NYKAA	OYKAA
https://www.nykaa.com	https://www.oykaa.com

The court noted that even the terms and conditions on the Defendant's website are identical to those on the Plaintiff's website, including those terms and conditions that may not even be applicable for Defendant. For example, the Defendants are not an incorporated company, and the email id support@oykaa.com does not exist, but they find a mention in the Terms & Conditions only because the same has been copied. Thus, the copying has been to such an extent that the Defendants have not even cared to change the terms and conditions to suit their own business needs.

The Court relied on Ahmed Oomerbhoy v. Gautam Tank; the court opined that it is clear that in the present case also that the Defendants have adopted a deceptively similar mark to that of the Plaintiffs' mark/name 'NYKAA' in order to piggyback on the Plaintiffs' goodwill and reputation in an identical field of business, which will cause confusion to the customers.

The Court opined that the plaintiff had made out a prima facie case for the grant of an ex-parte ad interim injunction, and the balance of convenience lies in favour of the plaintiffs, considering that the products in the present case were cosmetic, healthcare and wellness products, and quality of all such products was of utmost importance. Such products were for the personal use of consumers, and if the defendants were not injuncted in the present case, it would cause irreparable loss/harm not only to the plaintiffs' business but also to the customers using such products who were under the garb that the same was being manufactured by plaintiffs.

Thus, the Court restrained defendants and all others acting for or on their behalf from using the mark/name/logo 'OYKAA' or any other mark which was identical or similar to that of plaintiffs' mark/name/logo 'NYKAA' in respect of cosmetic, healthcare products, wellness products, clothing, jewellery, accessories or any other cognate and allied goods.

Further, the Court ordered that the website and other online listings shall also be taken down immediately and insofar as the website www.oykaa.com was concerned, the website shall be placed under lock and suspension by the Domain Name Registrar concerned. The Court noted that the defendant's products were also listed on third-party websites, like India Mart, Amazon, and Flipkart and thus, directed that the said directories/online platforms shall also take down the listings of the defendants upon receiving the specific URLs by the plaintiff if the same were not taken down by defendants. The matter would next be listed on 05-04-2024.

119. A "Good Day" for Britannia as Delhi High Court Grants Ad Interim Injunction in its Favour in Trademark Infringement Case

Case: Britannia Industries Ltd. vs Amar Biscuit Pvt. Ltd. [CS(COMM) 728/2023, I.A. 20158/2023, 20159/2023, 20160/2023]

Forum: High Court of Delhi

Order Dated: October 12, 2023

Issue: Whether Amar Biscuit Private Limited's packaging and trademarks for "GOOD TIME" butter cookies are deceptively similar to Britannia Industries Limited's "GOOD DAY" butter cookies, potentially leading to confusion and brand infringement?

Order: Britannia Industries Limited, a renowned food company, filed an application under Order 39 Rules 1 and 2 of the Civil Procedure Code, 1908. Britannia had been operating since 1918 and was a leading manufacturer of various food products under the trademark 'GOOD DAY.' The 'GOOD DAY' mark was adopted by Britannia in 1986 and has been used across a wide range of products, including biscuits, bread, confectionery, etc. The specific product 'GOOD DAY BUTTER COOKIES' was launched in 1986, and distinctive packaging was adopted in 1997, characterized by a colour combination of blue and yellow with a specific cookie design. Britannia claimed that over the years, minor changes were made in the trade dress, but the essential and prominent features remained consistent.

Britannia contended that the packaging of 'GOOD DAY BUTTER COOKIES' was both a trademark label entitled to protection and an artistic work under copyright. They also highlighted that 'GOOD DAY BUTTER COOKIES' generated substantial revenue, amounting to Rs. 1889 crores in the financial year 2022-2023, with around Rs. 137 crores spent on advertising and promotion.

Britannia became aware of 'GOOD TIME' cookies when a consumer posted on Twitter, alleging that the defendants were using an infringing trademark and dress for their product, 'GOOD TIME,' which had a similar blue and yellow colour combination. In response, Britannia filed the present suit against Defendant 1, Amar Biscuit Private Limited, and its promoters, Defendants 2-4, seeking to restrain them from manufacturing, selling, and offering for sale butter cookies under the 'GOOD TIME' mark which had almost identical packaging.

The plaintiff's 'GOOD DAY BUTTER COOKIES' packaging was compared with the defendants' 'GOOD TIME' packaging to demonstrate the similarities.

PLAINTIFF'S PRODUCT 'BRITANNIA GOOD DAY BUTTER COOKIES'	DEFENDANTS' PRODUCT 'GOOD TIME BUTTER COOKIES'
 Colour combination of Blue, Yellow and White.	 Adoption of an identical colour combination of Blue, Yellow and White.
 The Mark 'Good Day' written in a Bold White text against a blue background on the left side of the Packaging/Trade Dress.	 The Impugned Mark 'Good Time' written in a Bold White text against a blue background on the left side of the Packaging/Trade Dress.
 The House Mark 'BRITANNIA', which is a combination of Red and white Colour, has been placed above the Trade Mark 'Good Day' on the Packaging/Trade Dress.	 The House Mark 'SAGAR', which is represented in a confusingly similar combination of Red and White colour as that of the Britannia Logo, has been identically placed above the words 'Good Time' on the Impugned Trade Dress.
 Placement of Butter Cookie on the right part of the Packaging/Trade Dress along with Butter shavings.	 Identical placement of Cookies with similar curved grooves on the right side of the Impugned Packaging/Trade Dress along with Butter shavings.
 Placement of the words 'Butter Cookies' under the Mark 'Good Day'	 Identical placement of the words 'Butter Cookies' under the Impugned Mark 'Good Times'

The Delhi High Court considered the facts and held that Britannia had established a prima facie case for an ad interim injunction. Given Britannia's reputation and longstanding presence in the market, the balance of convenience also favoured them. The court noted that the defendants were leveraging Britannia's goodwill and reputation in a similar business and that the defendants' packaging was deceptively similar to Britannia's. Failing to grant an ad interim injunction would result in irreparable loss and harm to Britannia.

Therefore, the court restrained the defendants and anyone acting on their behalf from manufacturing, selling, or offering for sale butter cookies or any other products in packaging that was identical or deceptively similar to Britannia's 'GOOD DAY' or 'GOOD DAY BUTTER COOKIES' marks. The defendants were also directed to remove any online listings of the infringing product within forty-eight hours. The matter was scheduled for the next hearing on 08-04-2024.

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120. Delhi High Court Sets Aside Abandonment of Trademark Opposition

Case: M/S Mex Switchgears Pvt. Ltd. vs Vikram Suri Trading as M/S Armex Auto Industries [C.A.(COMM.IPD-TM) 69/2022]

Forum: High Court of Delhi

Order Dated: October 13, 2023

Issue: Whether an Email ID is considered as "address for service" within the meaning of Section 143 of the Trademarks Act?

Order: This appeal was filed by the appellant M/S Mex Switchgears Pvt. Ltd. against the order dated 24 May 2018, passed by the Deputy Registrar of Trademarks apropos Opposition No. 851850 filed by the appellant to Application no. 1985391 of Respondent 1 seeking registration of the mark "ARMEX".

Respondent 1, Vikram Suri, filed a counter statement on 22 November 2017 and served the same to the appellant via email.

The appellant did not file any evidence in support of the opposition within the prescribed time, nor did they submit a statement indicating a desire not to present evidence but to rely on the facts mentioned in the Notice of Opposition. As a result, the opposition was deemed abandoned under Rule 45(2) of the Trademarks Rules 2017.

On 18 September 2023, the learned Joint Registrar in this Court closed the right of Respondent 1 to file a reply to this petition, noting the fact that Respondent 1 had been served but had not filed any reply till then. The Court also noted that Respondent 1 had been continuously absent in these proceedings ever since the notice was issued in the appeal. Respondent 1 continues to remain unrepresented.

The court specified that Section 143 of the Trade Marks Act states that an address for service stated in an application or notice of opposition shall, for the purposes of the said application or notice of opposition, be deemed to be the address of the applicant or the opponent, and permits service of all documents in relation to the application or the notice of opposition by leaving the documents at or sending them by post to, the said address as provided in the application or notice of opposition.

Justice C Hari Shankar added that In the event that an e-mail ID is provided by an applicant or an opponent in the notice of opposition, I do not think that there can be any manner of doubt that service of documents relating to the application or the notice of opposition at the said e-mail ID would suffice as service within the meaning of Section 143 of the Trade Marks Act.

However, in this case, the Court noted that the appellant did not provide an email address for communication, and therefore, service by email was not appropriate.

Thus, the impugned order treating the appellant's opposition as abandoned is set aside by the Court. The Court directed the appellant to comply with the statutory requirements consequent on receipt of the documents within the time stipulated in that regard, reckoned from today. Failure to comply with statutory requirements within the specified time will have statutory consequences.

121. Delhi High Court Grants Interim Injunction to Intervet International for 'BRAVOGARD' Mark

Case: Intervet International B.V. & Anr vs Cuckos Pharmaceutical Private Limited [CS(COMM) 736/2023, I.A. 20343/2023]

Forum: High Court of Delhi

Order Dated: October 13, 2023

Issue: Whether Defendant No.1, Vcare Medicines, is infringing upon the Plaintiffs' Indian Patent No. 283279 by advertising, manufacturing, and selling medicinal preparations, specifically 'FLURALANER' tablets, under the mark 'BRAVOGARD'?

Order: This suit is filed by Plaintiff No.1-Intervet International B.V. and its Indian subsidiary Plaintiff No.2-Intervet India Pvt. Ltd. (hereinafter, 'the Plaintiffs') seeking protection and enforcement of the Indian Patent Number No. '283279' ('suit patent') against the Defendant No.1-Vcare Medicines.

The Plaintiffs' case is that they acquired an exclusive license for the said patent via an agreement dated 18th August 2008 from M/s Nissan Chemical Corporation, a Japanese Company, pleaded as Defendant No. 2 in the present suit. It has been averred that by the said agreement, Defendant No. 2 granted to Plaintiff No. 1 an exclusive non-transferable and indivisible license both for product development and for commercialisation for all the products mentioned in Schedule B.

The Plaintiffs' case is that the suit patent, which is for a Markush formula and compounds, is disclosed therein. One of the compounds disclosed and claimed is a product named 'FLURALANER', which is a veterinary product for the treatment of tick fever, including ticks and fleas in dogs and animals. 'FLURALANER' is one of the leading products of the Plaintiffs in this segment, and the name 'FLURALANER' was allotted by the WHO as an International Non-proprietary Name ('INN') as per WHO Drug Information vol. 27, No. 1 (2013). After the allotment of the INN name in 2013, the product 'FLURALANER' has also been sold in several other countries, including India.

The plaintiff submitted that 'FLURALANER' is sold under the trademark 'Bravecto' bearing no. 2350191 registered in class 5 in several variants and forms.

The Plaintiff's grievance was that Defendant No.1 - Cuckos Pharmaceutical Private Limited is advertising, manufacturing, and selling patented products under the mark 'BRAVOGARD' in trade fairs as also on its website, i.e., http://www.cuckospharma.com/contact.html. In addition, the Defendant's products are being advertised on platforms like IndiaMart and other directory listings.

The Defendants stated that they do not intend to manufacture or sell the 'FLURALANER' tablets. Considering the above facts and circumstances, the Court was of the opinion that the Plaintiff has made out a prima facie case for the grant of interim injunction in its favour.

The Court restrained the defendants from manufacturing, selling, and offering any medicinal preparation that infringes the Plaintiffs' Indian Patent no. 283279, which consists of 'FLURALANER' or as an API or any other formulations consisting of the same in any of its pharmaceutically acceptable salts, until the next hearing of the case. In addition, Defendant No.1 was restrained from using the mark 'BRAVOGARD' or any other mark deceptively like Plaintiff's mark 'BRAVECTO'.

122. Modicare Secures Summary Judgment In "Well" Trademark Dispute

Case: Modicare Ltd. vs Maa Adishakti Multi Trade Enterprises [CS(COMM) 532 of 2019]

Forum: High Court of Delhi

Order Dated: October 13, 2023

Issue: Whether Modicare Limited was entitled to summary judgment due to the alleged infringement of their 'WELL' marks and related intellectual property rights by the defendants?

Order: Plaintiff is a part of the KK Modi Group and a well-known FMCG industry market player, offering a range of products from food processing to healthcare. The plaintiff filed a suit against four Defendants, claiming unauthorised use of their trademarks. The fundamental argument of the plaintiff focuses on the distinctiveness and goodwill associated with the plaintiff's "WELL" marks, adopted in 2004 along with the mark “MODICARE” such as MODICARE WELL INTELLECT, MODICARE WELL NATUROPAUSE, MODICARE WELL AM and MODICARE WELL PM and many others like these.

While the plaintiff's several "WELL" series marks are registered, the standalone word mark “WELL” is currently under objection and pending registration. The plaintiff's claim of its rights in the "WELL" series of marks is based on its long and continuous use, creating a unique trade dress for each. It also claims that the products with the WELL marks have certifications from prominent agencies such as USDANOP, USA, Naturland Organic, Germany and Escort Organic Standards, France. The plaintiff stated that the characteristics of the labels they adopted for their products sold under the "WELL" trademarks, including the get-up, layout, colour palate, etc., constitute artistic works under the Copyright Act of 1957. It also contends that the Defendants, operating as an interconnected group, have identically copied the plaintiff's various "WELL" marks, including 'WELL INTELLECTE,' 'WELL KOREAN RED GINSENG,' 'WELL D-TOX,' 'WELL JOINT-EASE,' 'WELL AM-PM,' and 'WELL NATUROPAUSE.'

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The dispute came to light in 2019 when the plaintiff discovered the Defendants' activities on online platforms such as Amazon.in, Shopclues.com and Snapdeal.com. Further investigation conducted by the plaintiff revealed that the Defendants were interconnected, and Defendant No. 1 had a website, www.miraclesforu.org, which also added to the plaintiff's concerns. There were a few other concerns of the plaintiff, such as replacing Defendant No. 1's details with those of Defendant No. 4 on product labels, even though both were believed to share the same source.

In response to the above, the plaintiff filed a lawsuit, leading to the grant of an ex parte ad interim injunction on September 24, 2019, in favour of the plaintiff and against the Defendants on the following marks:

- WELL INTELLECTÉ,
- WELL RED GINSENG POWDER
- WELL JOINT EASE
- WELL AM-PM
- word mark SCI VEDIC

Notably, the plaintiff did not press, and the Court did not consider issuing an injunction on the labels "WELL D TOX" and "WELL NATUROPAUSE" as the claims were based on passing off.

Despite multiple attempts to serve notices, the Defendants failed to appear before the Court, leading to the closure of their right to file a defence. In view of this, the plaintiff, Modicare Ltd., filed an application seeking summary judgment under Order XIII-A of the Code of Civil Procedure, 1908. In accordance with Order VIII Rules 10 Code of Civil Procedure, 1908, the Court exercised its discretion to either pronounce judgment against the Defendants or make an appropriate order related to the suit.

The Court drew on precedents like *Disney Enterprises Inc. & Anr. Vs. Balraj Muttneja & Ors*. and *S. Oliver Bernd Freier GMBH & CO. KG v. Jaikara Apparels and Ors*., emphasising that when a defendant fails to file a written statement or appear, no further evidence is required as no purpose is served by calling upon the plaintiff to lead ex-parte evidence. The Court also noted deceptive similarities in the Defendants' trade dress, suggesting that the Defendants attempted to capitalise on the goodwill of the plaintiff associated with the “WELL” marks. The plaintiff also raised concerns about the Defendants' use of a fictitious FSSAI license. The Court concluded that the identical brand names and product categories could cause confusion among consumers.

The Court said that legal principles from cases like *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* and *Sun Pharma Laboratories Ltd. v. Ajanta Pharma Ltd.* apply to the current case. These cases stress the importance of being extra careful in situations where similar health products have different ingredients, especially in the context of wellness and nutraceutical products. In *Sun Pharma Laboratories Ltd. v. Ajanta Pharma Ltd.*, the Court ruled that the criteria for infringement and passing off in nutraceuticals are the same as those for pharmaceuticals.

In light of these considerations, the Court granted a summary judgment, permanently restraining the Defendants from dealing in products under the "WELL" formative marks. The Defendants were also restrained from using any deceptively similar variants of the "WELL" marks to avoid infringement.

The Court clarified that the order did not imply the recognition of any kind of monopoly or exclusivity for the plaintiff in relation to the "WELL" mark. The decision underscores the significance of protecting trademarks in the evolving landscape of online commerce and emphasises the need for clarity in trade practices, particularly in the healthcare and wellness industry.

123. Delhi High Court Clarifies Jurisdiction and Rules Writ Petition Challenging IPAB Order must be decided by Single Judge

Case: Ayur United Care LLP vs UOI [W.P.(C)-IPD 61/2021]

Forum: High Court of Delhi

Order Dated: October 16, 2023

Issue: Which is the appropriate forum for hearing a writ petition filed by the petitioner against the order of the Intellectual Property Appellate Board (IPAB)?

Order: On June 28, 2013, the IPAB allowed a rectification petition filed by ITC against the Mark "AYUR" of the Petitioner. The Petitioner filed a writ petition before the Delhi High Court against the order of the IPAB, which was listed before a single judge of the High Court. The Respondents raised a preliminary objection to the effect that this writ petition should have been listed before a division bench of the High Court and not before the single judge for the reason that the rectification petitions, which were earlier heard by the IPAB, are, to be heard by a Single Bench of the High Court, it would be incongruous if writ petitions challenging orders of the IPAB in rectification petitions were also heard by a learned Single Judge. The jurisdiction of a learned Single Judge, in such a case, would encompass original jurisdiction in rectification petitions as well as appellate jurisdiction over orders passed by the IPAB in rectification petitions.

Rule 4 of IPD Rules 2021 describes jurisdiction, which states that every IPR subject matter case proceeding or dispute filed before or transferred to the IPD, as defined in Rules 2(i), 2(j) and 2(l), shall be heard and adjudicated by a Single Judge of the IPD except those that are to be decided by a Division Bench as per Section 13 of the Commercial Courts Act, 2015. The exception in Section 13 of the Commercial Courts Act, which deals with appeals from decrees of the Commercial Courts or the Commercial Divisions, would not apply to this writ petition.

Ordinarily, every IPR subject matter should be heard by a single judge of the High Court. However, the Respondents opposed the writ petition because of the exception carved out in Rule 2(l) of the IPD Rules, which

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defines “IPR Subject Matters or cases or proceedings or disputes”. The expression is defined as including, *inter alia*, **writ petitions arising out of IPR Subject Matters**, **<u>except matters to be dealt with by a Division Bench</u>**. The contention of the Respondent was that a writ petition has two categories, i.e., one to be dealt with by a single judge of the High Court and a second to be dealt with by a division bench of the High Court because of the exception carved out in Rule 2(l)(iii) of the IPD Rules, 2011. The present writ falls in the second category and must be heard by the division bench for the reason that for IPR subject matter, a single judge of the High Court is on the same footing as that of IPAB and considering the situation that if the single judge has to remand the matter back, then it will be remanding the matter to itself. Respondent also contended that between 2003 and 2021, the IPAB was exercising the same jurisdiction which the Single Judge is presently exercising. A challenge to the decision of the High Court in a rectification petition prior to 2003 and after 2021 would lie before a Division Bench, as the rectification petition would be decided by a Single Judge. As the *status quo ante*, which existed prior to 2003, now stands restored after 2021, it would be anomalous to hold that, for challenges against rectification petitions filed between 2003 and 2021, the challenge would lie before a Single Judge of this Court.

After hearing the parties, the Hon’ble Court observed that the statutory provision is crystal clear, and there is no need to resort to purposive interpretation. The Hon’ble Court further held that the principle of purposive interpretation of statutory provision has no applicability to provisions which fix jurisdiction in an authority. The Hon’ble Court held that the jurisdiction of a single judge to hear a writ petition arising from the order of IPAB comes from the IPD Rules. Rule 4 states that every IPR subject matter or case, proceeding, or dispute filed before, or transferred to, the IPD, as defined in Rules 2(i), 2(j) and 2(l), shall be heard and adjudicated by a Single Judge of the IPD. The Court has to decide whether the writ petition challenging the order of IPAB falls under the IPR subject matter or proceeding or not. Rule 2(l) defines IPR subject matters or cases or proceedings or disputes, which include, *inter alia*, writ petitions arising out of IPR Subject Matters, except matters to be dealt with by a Division Bench. So, the question before the Hon’ble Court was whether the subject writ petition can be said to be a writ as defined under Rule 2(l) of the IPD Rules. The Hon’ble Court held that there is no reason why an IPAB order dealing

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with patents, copyrights, trademarks, etc., should not be treated as an "IPR Subject Matter".

The Court further held that writ petitions directed against orders passed by the IPAB, therefore, fall within the ambit of the expression "original proceedings, appellate and other proceedings related to IPR subject matter(s) as defined in Rule 2(i), and the present writ petitions have indisputably been filed before the IPD, the present writ petitions qualify as "IPR subject matters or cases or proceedings or disputes" even by virtue of the opening words of Rule 2(l). There is no need, therefore, to proceed to the "also include" part of the definition or, therefore, to any of the clauses (i) to (iv) which follow, including clause (iii). The Hon'ble Court also looked into the argument that the High Court has stepped into the shoes of IPAB and observed that post-abolition of IPAB there is fundamental development had taken place in the form of promulgation of IPD Rules, which makes all the difference and, therefore, it is not right to say that High Court has come back to the same state as it was before the creation of IPAB in 2003. In fact, the Hon'ble Court went on to state that there is nothing to indicate that any provision, similar to the IPD Rules, or even Rule 1(xviii)(a) of the DHC Rules, applies to the High Court of Madras.

124. Delhi High Court Restricts the Use of 'DPS' Marks by Delhi Public School, Sahibabad

Case: Delhi Public School Society vs Aviral Education Welfare and Cultural Society [CS(COMM) 580/2020, I.A. 13900/2023 & I.A. 20500/2023]

Forum: High Court of Delhi

Order Dated: October 16, 2023

Issue: Whether Defendant No. 1, Aviral Education Welfare Cultural Society) and the school run by them (Defendant No. 2) Misused the Delhi Public School Society (Plaintiff) name 'Delhi Public School' (DPS), 'DPS,' and DPS logos?

Order: The Plaintiff, Delhi Public School Society, had filed a suit seeking injunctive relief and restrain misuse of the name ‘Delhi Public School’, ‘DPS’ and DPS logos (referred to as "DPS marks") against Defendant No. 1, M/S Aviral Education Welfare Cultural Society (AEWCS) which has been running Defendant No. 2 School- Delhi Public School Sahibabad, Uttar Pradesh.

The plaintiff established one of its first schools in 1949, Delhi Public School. The plaintiff's school in R.K. Puram was also established in 1972. Delhi Public School Society has more than 200 affiliated schools across the country and 10 schools established outside India.

Apart from 10 registered marks across several classes in India, the plaintiff also mentioned that the DPS logo has been declared a well-known mark in India with respect to education and allied services. The plaintiff also claimed enormous goodwill and reputation in their name and marks and had claimed rights in all DPS marks.

The plaintiff contended that Defendant No. 1 sought a joint venture with the plaintiff to operate a school named Delhi Public School, Sahibabad, in Ghaziabad, Uttar Pradesh. They signed an agreement on October 10, 2016, allowing the defendants to use the plaintiff's trademarks. An agreement sum of Rs. 25 Lakhs was paid as a signing fee by Defendant No. 1 to the plaintiff.

Despite a termination on September 24, 2018, the defendants persisted in running the school, prompting the filing of the current suit.

The Court analysed the arguments from both sides and noted that the defendants were already restricted from using the DPS marks. The order was further upheld by the judge of a single bench on March 10, 2023 (***LPA 213/2022 Aviral Education Welfare and Cultural Society & Ors. v. The Delhi Public School Society).*** Despite the previous injunction order, the Defendants continued the use of DPS marks, admitted students for the last six academic years, and the students continued to wear uniforms that bore the trademark and name of the plaintiff.

Noting that the education, career, and future of hundreds of students would be at risk if a contempt action were taken, the Court took a compassionate view of the matter in order to ensure that the careers of students are not put to any harm. It was concluded that the Defendant school can use DPS marks only in respect of students who have already been admitted for the academic year, the year ending on March 31, 2024, and the defendant shall not use the name and trademarks of the plaintiff after. New admissions after the academic year 2023-2024 are to be admitted under a new name of the defendant.

The certificates for the current batch of students undergoing classes 10th and 12th are directed to be issued under the existing name of the defendants. Referring to the previous agreement between the Defendants and the Plaintiff, the Court also directed the defendant to pay a sum of Rs. 20 Lakhs to the plaintiff plus GST by December 31, 2023, since no amount was paid to the plaintiff post the initial payment of Rs 25 Lakhs.

The Court made it clear that the Defendant school shall not use the plaintiff's name and trademarks from the upcoming academic year, i.e. 2024-2025, failing which, the responsibility of such action shall lie on the trustees of the defendant. In pursuit of education and in order to speed up the process, the Court also directed CBSE and Joint Director of Education, Meerut, to process the name-changing applications expeditiously.

125. Red Bull Cuts Your Wings: The Discussion on Packaging and Colour Combinations

Case: Red Bull AG vs Rohidas Popat Kapadnis & Anr. [CS(COMM) 512/2023 & I.A. 20372/2023]

Forum: High Court of Delhi

Order Dated: October 16, 2023

Issue: Whether the Defendants' product infringes on Red Bull's trademark?

Order: The Plaintiff Red Bull AG is the proprietor of the internationally acclaimed marks RED BULL, BULL, double BULL device, single BULL, 

,  and, . The Plaintiff claimed that the blue-silver combination in this distinctive layout is associated distinctly with the Plaintiff's products. The suit was filed against the sale of the energy drink "SEVEN HOURS" by the Defendants, which was packaged in a blue-silver colour combination.

Arguments:

The Plaintiff contended that the packaging of the Defendants was similar to that of the Plaintiff and that it would cause confusion since they were using an identical colour combination for identical products. The Plaintiff relied on orders passed by the Delhi High Court in their favour against third parties dating back to 2016 in order to substantiate their claim.

PLAINTIFF	DEFENDANTS
	

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The Court held that it was clear that the Defendants had adopted a packaging that was identical to the Plaintiff's packaging and stated that the Plaintiff had secured statutory protection for the colour combination by virtue of its registration, which was currently being used by the Defendant in an unlawful manner. The Court stated that while the mark of the Defendants was different from the Plaintiff's, the chances of confusion due to identical packaging and identical segments of products were particularly high on e-commerce platforms due to imperfect recollection. The Court held that the Plaintiff had made out a case for grant of injunction due to the balance of convenience being in favour of the Plaintiff and the irreparable injury that may be caused to them if an injunction was not granted in their favour.

Therefore, the Court restrained the Defendants and anyone selling through them from selling the product in the blue-silver combination as per the injunction granted on August 1, 2023. The Defendants were free to use the SEVEN HOURS mark as far as the packaging was not similar to that of the Plaintiff.

The Court directed the Defendants to place on record an affidavit with the details of the sales undertaken by them and their distributors since the launch of the product and directed that their goods be seized by a Local Commissioner. The Defendants moved an application to dispose of the seized goods and were allowed to dispose of the filled cans after paying damages worth 3 lakhs to the Plaintiff as per the order passed on September 26, 2023. Subsequently, they moved an application to dispose of the unfilled cans, which was also granted on a super dark basis since the Defendants had been selling their products for over two years on the condition that they deposited an additional amount of 10 lakhs to be payable to the Plaintiff.

The Court held that the Defendants should make a payment of 13 lakhs to the Plaintiff in two instalments, wherein 6.5 lakhs would have to be paid by December 31st 2023, and 6.5 lakhs would have to be paid by January 31st 2024. The Court stated that all the goods must be disposed of by January 31st, 2024, and any remaining goods will be destroyed. The Court directed the Defendant to withdraw the applications filed for the infringing marks. With regards to the mark SEVEN HOURS Plaintiff raised no objections to its usage.

126. Invalidity of Trademark Pleaded in Replication to be Considered for Purposes of Section 124 of the Trademarks Act

Case: Dharampal Satyapal Limited vs Mr Basant Kumar Makhija & Ors [CS(COMM) 806/2017 & I.A. 14129/2018]

Forum: High Court of Delhi

Order Dated: October 17, 2023

Issue: Whether the use of packaging  by the defendant which is similar to packaging  of the plaintiff constitutes infringement of Copyright and trademark and passing off?

Order: The plaintiff filed a Suit for Permanent Injunction restraining Infringement of Copyright and Trademark, Passing off, and Trade Dress. Rendition of Accounts, etc. The rival marks/trade dress are:

vs


.

In the said Suit, Plaintiff filed an application under Section 124(1) of the Act, seeking framing of issue regarding the invalidity of the defendant's trademark registration No. 14764657 for the device mark-

an adjournment of the present proceedings by three months to enable the plaintiff to file a Rectification Petition, assailing the said trademark granted to the defendant.

Counsel for the defendant argued that the application filed by Plaintiff under Section 124(1)(b) of the Act merits to be dismissed as the plea regarding the invalidity of the defendant's trademark has been taken by the plaintiff in the replication. Hence, the same cannot be considered for the purpose of Section 124(1)(b) of the Act. The defendant's counsel relied upon the decision in ***Travellers Exchange Corporation Ltd. v. Celebrities Management Pvt. Ltd*** further argued that the averments contained in the replication cannot constitute "pleadings" to the effect that the registration of the defendant's mark is invalid and that any plea regarding the invalidity of the defendant's mark should be taken in the plaint.

On the other hand, the counsel for the plaintiff argued that the plea regarding the invalidity of the defendant's trademark had been taken by the plaintiff in paras 29, 31, 32, 41 and 42 of the plaint and paras 12 to 17 of the replication. He further argued that Section 124(1)(b) envisages the plea of invalidity of the defendant's mark being taken consequent on the defendant raising a Section 30(1)(e) defence. As the Section 30(1)(e) defence would be taken only in the written statement, the occasion for the plaintiff to plead invalidity of the defendant's mark by way of a response to the defence taken by the defendant would necessarily be only in the replication. The counsel, relying upon the decision in ***Anant Construction (P) Ltd. v. Niwas Ram***, further submitted that "replication is a pleading by the plaintiff in answer to the defendant's plea".

The defendant's counsel, in rebuttal, argued that even if the occasion to challenge the validity of the defendants' trademark arose after the defendants had filed the written statement, the plaintiff would have to do so by way of amendment of the plaint, relying upon the decision in ***Travellers Exchange Corporation***, and not by way of replication.

Counsel for the defendant also sought to contend that at the time of framing of issues, though an issue regarding the validity of the defendant's trademark was placed before the Court, the Court did not deem it appropriate to frame it as an issue. On the other hand, Counsel for the Plaintiff argued that at the time of framing of issues, the present application of the plaintiff under Section 124 was pending, and thus, the issues which have been framed in the matter cannot inhibit the Court from framing an additional issue regarding the validity of the defendants' trademark, as sought in the application filed by the plaintiff under Section 124 of the Act.

After hearing both parties' submissions, the Learned Bench opined that the averments contained in the replication cannot be ignored while considering whether the plaintiff has pleaded invalidity of the defendant's mark within the meaning of Section 124(1)(b) of the Act.

The Court held that Section 124(1)(b) clearly envisages a situation in which the defendant raises a defence under Section 30(2)(e), and the plaintiff pleads the invalidity of registration of the defendant's trademark. The Court held that the word "and" has been used as synonymous with "following which", meaning that, first, a Section 30(2)(e) defence would be raised by the defendant, and, thereafter, the plaintiff challenges the validity of the defendant's mark. Thus, the occasion for the plaintiff to plead invalidity of the defendant's trademark, as per Section 124(1)(b), therefore, arises only consequent on the defendant raising a Section 30(2)(e) defence.

While considering the plea taken by the plaintiff in the replication regarding the invalidity of the defendant's trademark, the Court held that "*replication is, by its very nature, intended to meet the assertions in the written statement. It would, therefore, be paradoxical to hold that, even though the Section 30(2)(e) defence is raised in the written statement, the plaintiff is foreclosed from meeting it in replication by challenging the validity of the defendant's mark and has to amend the plaint itself. This position is also supported by the opening words in para 24 of Anant Construction, which note that a "replication is a pleading by the plaintiff in answer to defendant's plea."*

Further, as regards the plea alleged to have been taken by the plaintiff in paras 29, 31, 32, 41 and 42 of the plaint, the Court opined that even if no specific submission to the effect that the defendant's mark is invalid has been taken, the ingredients which are required to be pleaded in order for the plaintiff to succeed in a plea by the plaintiff in the said paras of the plaintiff, invalidity under Section 11 are all contained in the said passages.

For the aforesaid reasons, the Court opined that the plaintiff has pleaded invalidity of the defendants' trademark within the meaning of Section 124(1)(b) of the Act. Further, on examining the plea of invalidity of the defendant's trademark, the Court held the plea of invalidity to be prima facie tenable, as it is an arguable plea within the meaning of Section 124(1)(ii).

Accordingly, the Court allowed the application of the plaintiff and framed issues regarding the invalidity of the defendant's mark and adjourned the matter to 31 January 2024 to enable the plaintiff to file a rectification petition, in accordance with Section 124(1)(ii) of the Act.

127. Permanent Injunction Granted to Himalaya Wellness Company for "LIV 52" Mark

Case: Himalaya Wellness Company vs Abony Healthcare Ltd. [CS(COMM) 476/2021, I.A. 12699/2021 & I.A. 2201/2023]

Forum: High Court of Delhi

Order Dated: October 17, 2023

Issue: Whether the use of mark "LIV 55" by the defendants infringes the registered mark "LIV 52" of the Plaintiff Himalaya wellness Company?

Order: The present suit has been instituted by the plaintiff Himalaya Wellness Company, alleging infringement by the defendants Abony Healthcare Ltd. & Ors, of the mark LIV.52, which stands registered in favour of Plaintiff 2 vide registration number 180564 with effect from 10 July 1957.

The plaintiff asserted that they had gathered goodwill and reputation over a period for its 'LIV.52' mark. In 2021-2022, the sales of products bearing 'LIV.52' mark was Rs 209.02 crores. The plaintiff asserted that because of continuous usage, the 'LIV.52' marks had become indelibly associated with the plaintiff and had become source identifiers.

The plaintiffs argued that both the word marks "LIV 52" and "LIV 55" were deceptively similar, posing a risk of confusion among consumers, especially when used for liver tonics with identical bottle/package appearances (visual and phonetic similarities). The defendants also marketed "LIV.999," and the plaintiffs contended that this combination of "LIV" with a number was unjustified for liver tonics, potentially causing confusion with "LIV.52" or similar products and constituted trademark infringement.

Comparison of both the products:

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The Delhi High Court opined that the marks LIV.55 and LIV.999 are deceptively similar to the mark LIV.52. Both marks are used for liver tonics. The trade dress adopted by the defendant for its LIV.55 product is nearly identical to the trade dress of the plaintiff, with a thin orange border on the top, an interspersed white band and a lower green half of the bottles/package. The way LIV.52 and LIV.55 are written are also deceptively similar to each other.

The Court opined that to the consumer of average intelligence and imperfect intelligence, there was a chance of confusion between the marks LIV.55 and LIV.52, especially when both the marks were used for liver tonic on bottles and packs, which were identical in appearance. The mere fact that the defendant's products reflected the company's name could not mitigate the confusion created by the stark similarity between the defendants' and the plaintiffs' trade dresses.

To support its decision, the Court drew on established legal precedents in the case of 'Slazenger & Sons v. Feltham & Co.', which provided a basis for considering the defendant's intent to deceive while underlining the significance of such intent. The High Court also referenced 'Munday v. Carey,' where it was held that in cases marked by dishonesty, the focus should be on similarities rather than disparities. When a defendant deliberately copies a plaintiff's trademark, the presumption is of the intention to mislead consumers. The Court also relied on 'Himalaya Drug Company v. M/s S.B.L. Ltd.,' which highlighted the plaintiff's contention that using a mark featuring "LIV" in isolation could encroach upon the plaintiff's trademark.

Thus, the Court granted the permanent injunction to the plaintiffs and restrained the defendants from using the mark ‘LIV.55’, ‘LIV 55’ or ‘LIV.999’ or any other mark which deceptively like the trade dress of the plaintiff in respect of its ‘LIV.52’ product, either for liver tonics or for any other pharmaceutical preparations or allied goods.

128. Significance of Listings in Digital Marketing and Sales Emphasised by Delhi High Court in Trademark Case

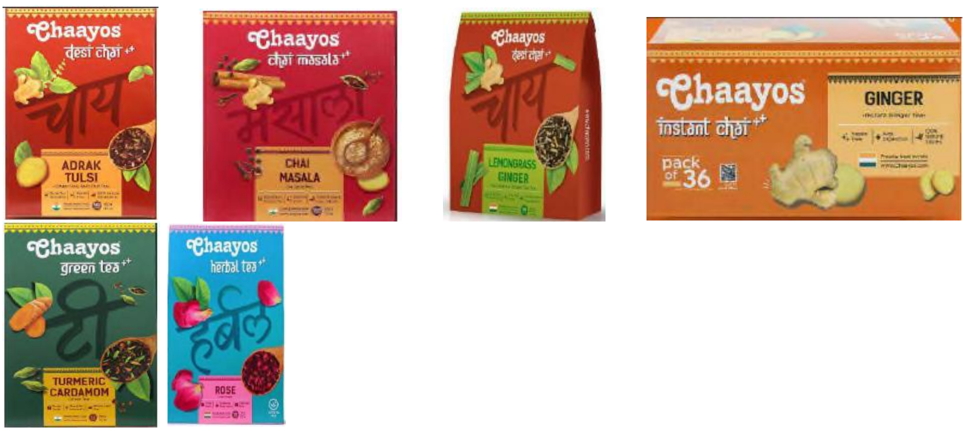
Case: Sunshine Teahouse (P) Ltd. vs Grey Mantra Solutions [CS(COMM) 757 of 2023

Forum: High Court of Delhi

Order Dated: October 19, 2023

Issue: Whether the Defendant had imitated the plaintiff's 'CHAAYOS' brand and packaging?

Order: This case was filed by the Plaintiff-M/s Sunshine Teahouse Ltd., which is the owner of the brand name 'CHAAYOS', used with respect to tea and related products. The Plaintiff also runs and maintains tea cafes serving tea, beverages, sandwiches, cakes, pastries, and cookies under the name 'CHAAYOS'. The mark 'CHAAYOS' was adopted by the Plaintiff in 2012 and has been registered for the mark 'CHAAYOS' since 2017. The Plaintiff, apart from running and operating its tea outlets, has also launched products under the brand name 'CHAAYOS' in various flavours and variants. The Plaintiff has registrations for the mark 'CHAAYOS' in various classes, i.e., 43, 16, 29, 30, 32, 47. The said products are manufactured and marketed in distinctive packaging, which are set out below:



The plaintiff claimed to have sales turnover of ‘CHAAYOS’ branded products, which is stated to be approximately Rs.10 crores in the last financial year 2022-23, and the total sales turnover of the Plaintiff is approximately Rs. 250 crores. The Plaintiff also claims to sell goods under its trade dress in other countries i.e., United States, Canada, UAE, and Singapore.

The Plaintiff operates its website through the domain name www.chaayos.com and sells its products through various online websites, i.e., www.amazon.in, www.flipkart.com, big basket, Instamart, etc. A substantial amount of money has also been invested in promotional and advertising activities for Plaintiff's brand ‘CHAAYOS’, which amounts to more than Rs.25 crores for the financial year 2022-23.

The plaintiff claimed that the defendant, Grey Mantra Solutions, was offering various flavours of tea on online platforms and selling its products on Amazon using the brand names, i.e., ‘TEACURRY’ and ‘JUST VEDIC’.

The Plaintiff claimed that the Defendant has adopted and copied several distinctive elements of Plaintiff's packaging, which forms a substantial imitation of the Plaintiff's trade dress. The products of the Defendants are sold under the mark ‘TEACURRY’ and ‘JUST VEDIC’. The said packaging of Defendant has imitated the colours, some flavour names, and the watermark of the word ‘chai’.

The Plaintiff further alleged that the products show that the overall trade dress, including the colour combination, the manner of writing the word ‘chai’, or ‘masala’, the writing script, the various creative embellishments on the packaging, the depiction of flower, ellachi, tea, etc. are all almost identical to that of the Plaintiff. Apart from the packaging, the Plaintiff's grievance is also that the Defendant has copied the Amazon listing. A comparative chart of the same has been extracted below:

The court opined that packaging and listings would show that the Plaintiff's packaging is in the form of paper packaging and the Defendant is using the plastic containers, but the resemblance is clearly present on a physical perusal of the products. The Court noted that the plaintiff had several trademark registrations for the mark 'CHAAYOS' and label/mark applications for distinctive packaging and, thus, opined that there had been an imitation by the defendant.

The court directed that Defendant shall stand restrained from making any fresh manufacture of their tea products in the impugned trade dress packaging, which has copied various distinctive elements and is a colourable imitation of Plaintiff's product packaging. Insofar as the already manufactured products are concerned, the details of the inventory shall be placed on record along with the monetary value of the same.

Additionally, in view of the listings having been copied almost identically, the impugned listings shall be taken down within a week. If the same is not taken down by the Defendant, the Plaintiff is free to approach the online platforms with the specific URLs for taking down the said listings.

129. Delhi High Court Directs FranchiseByte to Remove Videos and Content Regarding Wow Momo from Website and YouTube

Case: Wow Momo Foods Private Limited vs Franchisebyte [CS(COMM) 778/2023]

Forum: High Court of Delhi

Order Dated: October 20, 2023

Issue: Whether the use of a Trademark engaging in deceptive practices, and misrepresenting their affiliation with Wow Momo by the defendant Franchisebyte constitute the infringement of the plaintiff's (Wow Momo Foods Private Limited) registered trademark?

Order: The present suit is filled by Wow Momo Foods Private Limited against FranchiseByte, which was posing itself as an agency which can provide franchises for the former.

The plaintiff coined and adopted the trademark in 2008, from which date it is using the said mark. The plaintiff is also the registered proprietor under classes 30, 35,43, and 29 of Trademark Act.

The rights in the "WOW MOMO" mark were transferred by WOW Foods Pvt. Ltd. to the plaintiff via the Business Transfer Agreement dated 31 March 2015. The plaintiff has also registered the domain name www.wowmomo.com on 28 July 2023. The website www.wowmomo.com contains details about the plaintiff's business.

The plaintiff is aggrieved by the defendant holding itself out as an agency which can provide franchises for the plaintiff. The plaintiff has referred to a video clip available on YouTube, on which representatives of the defendant profess to offer franchises for the plaintiff's business and further states that, in order to become a franchisee of the plaintiff, any interested person could click the link in the description of the video and provide his details, whereafter the plaintiff's representative would get in touch with him.

The link, when clicked, takes the viewer to another website of the defendant, which contains details of the alleged franchises of the plaintiff. The plaintiff further averred that the defendant operates a website, www.franchisebyte.com, whereon the defendant provides franchises for various Indian start-ups, including the plaintiff.

Additionally, the use of the plaintiff's registered trademark, "WOW MOMO", on the said website, alleges the plaintiff, constitutes infringement of the plaintiff's registered trademark. The website also dupes and misleads persons into believing that the plaintiff is providing franchises through the defendant. The public is thus being defrauded by the defendant.

The Court opined that if the injunction is not granted ex parte, it would result in the defendant continuing to defraud the public at the expense of the plaintiff. As such, the balance of convenience is also in favour of the grant of ex parte injunction. Failure to grant an ex parte injunction would also result in irreparable prejudice to the plaintiff.

"Inasmuch as the assertions in the plaint indicated that a is calculated fraud being perpetrated by the defendant, by luring persons into applying for becoming franchisees of the plaintiff, where no such franchises actually extended by the plaintiff and, in the process, is also infringing the plaintiff's registered trademark by making unauthorised use thereof, a case for grant of interlocutory injunction is made out."

The court directed the defendant, as well as all others acting on its behalf, to stand restrained from directly or indirectly using, advertising, or publishing any video reflecting the trademark WOW! MOMO, or any other mark which is identical or deceptively like the plaintiff's registered trademark, for any purpose whatsoever.

The defendant is directed, forthwith, to take down all videos relating to the plaintiff or make any reference to the plaintiff's registered trademark. WOW! MOMO from its YouTube channel is available at https://www.youtube.com/watch?v=hRsogzUfpJw&t. The defendant is further directed to take down all contents relating to the plaintiff and all references to the plaintiff or to its mark. WOW! MOMO on its website www.franchisebyte.com.

The defendant is further directed, in its reply, to disclose all persons to whom, by the above method, it has granted purported franchises of the plaintiff, as well as the amounts that it has earned from such activities. Compliance with Order XXXIX Rule 3 of the CPC be affected within a period of one week.

130. Delhi High Court Safeguards PUMA's 'Leaping Cat' Mark, Grants Rs. 10 Lakh in Damages for Counterfeit Products

Case: Puma Se vs Ashok Kumar [CS(COMM) 703/2022 and I.A. 16559/2022]

Forum: High Court of Delhi

Order Dated: October 20, 2023

Issue: Whether the use of 'PUMA' mark and the leaping cat device " " by the defendant infringes the plaintiff's trademark rights?

Order: The present suit is filed by the plaintiff Puma Se; a German company has filed the present suit seeking an injunction against the counterfeit products being manufactured and sold under the mark 'PUMA' as also (hereinafter referred to as "the leaping cat device"). The Defendant in the present case is Ashok Kumar, Trading as "Kumkum Shoes", Agra.

The Plaintiff presented that it started using the mark 'PUMA' in 1948 in Germany and got the mark first registered in Germany on October 1st, 1948. The Plaintiff has been marketing and selling its products in India, including in Delhi, through its wholly owned subsidiary Puma Sports India Pvt. Ltd. under its well-known and world-renowned trademark 'PUMA'.

The plaintiff claimed that the trademark 'PUMA' has been registered in Germany since 1948, in the USA since 1965, and in Australia since 1969. In India, the mark 'PUMA' as also the 'leaping cat device' has been registered since 1977 and 1986. The Plaintiff is also promoting and selling its 'PUMA' branded products through its website hosted on the domain name www.puma.com, which is accessible to consumers in Delhi. The domain name was registered on 19th September 1997 and has been in use since then. The Plaintiff has been supplying/selling its PUMA-branded products in India since the 1980s.

The Plaintiff asserts that in the second week of September 2022, the Plaintiff learnt that various counterfeit products under the mark ‘PUMA’ are being sold in Agra, Uttar Pradesh. The plaintiff argued that the defendants are engaged in the business of manufacturing, selling, and supplying counterfeit products bearing the mark ‘PUMA’ as well as the ‘leaping cat device’ in Uttar Pradesh, Delhi, and Haryana.

The defendant, Mr. Ashok Kumar, has chosen to stay away from the legal proceedings. He did not file any written statement or appear in front of the court.

The Court appointed a Local Commissioner who had submitted a detailed report on the large-scale manufacturing of counterfeit ‘PUMA’ products which were found on the defendant’s premises.

The defendant did not challenge the report submitted by the Local commissioner, and his absence from the court implied a lack of defence against the plaintiff’s allegations of trademark infringement and counterfeiting.

The Delhi High Court Judge Prathiba M. Singh cited Order 26 Rule 10(2) CPC, which allows the court to treat the report of the Local Commissioner as evidence in the suit where it is not challenged by any party.

After considering the evidence and the defendant’s absence, the Delhi High Court granted an injunction against the defendant, restraining them from manufacturing and selling products bearing the 'PUMA' mark or any similar marks.

The Court is of the opined that the present suit is liable to be decreed in favour of the Plaintiff against the Defendant. Costs of Rs. 2 lakhs were awarded to Plaintiff as Defendant had deliberately and with complete knowledge of the fact that the ‘PUMA’ brand and ‘leaping cat device’ cannot be used, imitated the same and earned the profits, forcing Plaintiff to file the present suit. The Court ordered that the shoes, which have been seized by the Local Commissioner, be handed over by the Defendant to the Plaintiff’s representative on 1st November 2023 when the Plaintiff’s representative may visit the Defendant’s premises.

131. Delhi High Court Grants Well-Known Status to Marks "NEW BALANCE" and "NB"

Case: New Balance Athletics Inc. vs New Balance Immigration Private Ltd. [CS(COMM) 444/2022 & I.A. 11940/2023]

Forum: High Court of Delhi

Order Dated: November 2, 2023

Issues:

- Whether Plaintiff is entitled to get a permanent injunction, damages, etc., against Defendant?
- Whether the Plaintiff's mark is a well-known mark?

Order: This suit was filed by New Balance Athletics Inc., a U.S.-based Company seeking protection of its marks "NEW BALANCE" and "NB" against misuse by the Defendant- New Balance Immigration Private Limited. Apart from a permanent injunction, damages, etc., against Defendant, Plaintiff also seeks a declaration of its marks as well-known marks. The Plaintiff is engaged in the business of designing, manufacturing, marketing, and selling footwear and readymade clothing.

The Plaintiff is a company established in the year 1906 in the USA, and the mark "NEW BALANCE" is used both as a mark and as a prominent feature of the corporate name of the Plaintiff's Company. Though the mark was initially adopted as "NEW BALANCE" in full form, over the years, the mark has come to be known as "NB". The mark "NB" is also described on the footwear and apparel that have been manufactured by the Plaintiff in the US since 1974.

Plaintiff's business has expanded considerably for more than a century, and presently, the products are sold in more than 120 countries in the world, including in India, through retail stores, department stores, and e-commerce platforms.

The Plaintiff claimed to engage more than 25 manufacturers across the world to manufacture footwear and readymade clothing and employs more than 8000 employees. The Plaintiff also claims to have granted its Indian licensee a license to use the Plaintiff's marks in India. Since 2016, several stores have been opened in Delhi, Chandigarh, and Lucknow. It also has subsidiaries that are incorporated in several countries in the world, including the United States of America, the United Kingdom, Hong Kong, Singapore, Australia, New Zealand, Mexico, Canada, and South Africa.

Plaintiff claimed that the use of the mark "NEW BALANCE" dates to 1986 in India for footwear and retail services, and the use dates to 1972. The mark is also registered in several countries in the world, including India.

The Plaintiff uses the website www.newbalance.com as its platform for promoting and advertising its products. The Plaintiff also operates various social media platforms like Facebook, Twitter, Instagram, etc. The Plaintiff's sales figures are claimed to be more than 2.7 billion in 2020, and the marketing figures are more than 244 million dollars in 2020. According to the Plaintiff, it sponsors a large number of well-known globally renowned sporting events, and a number of celebrities also promote and endorse the Plaintiff's products.

Defendant- New Balance Immigration Private Limited is a company engaged in the business of providing immigration and visa procurement services. Defendant operates its business through its website with the domain name www.newbalanceimmigration.com. The Defendant's mark "NEW BALANCE" and the "NB" device mark have been made part of its corporate name.

The case of the Plaintiff is that it came to know about the Defendant's mark in May 2022. Plaintiff issued cease and desist legal notices dated 18th May 2022 and 27th May 2022 to Defendant to make it aware of Plaintiff's right in the mark "NEW BALANCE" as also in the device mark "NB". However, the Defendant did not reply to the legal notices, leading to the filing of the present suit. A comparative chart of the Plaintiff's and Defendant's marks is as follows:

Defendant's Marks	Plaintiff's Marks
NEW BALANCE	NEW BALANCE
	NB

In this suit, initially, the Court, via order dated 15th September 2022, had proceeded ex parte after there was no appearance on behalf of the Defendant, even after being served through all modes of service. Vide judgement dated 12th October 2022, the Court had granted an ad-interim injunction restraining the Defendant from using the "NEW BALANCE" and "NB" name and mark with respect to its immigration services. Thereafter, on 1st June 2023, judgement was passed by the Court in the application for summary judgment under Order XIII A.

Accordingly, the suit was decreed in terms of paragraphs 60(a), 60(b), 60(c), 60(d) and 60(e) of the prayer clauses. Insofar as the decree for clause 60 (l) is concerned, Rs.4,00,000/- costs were also directed to be paid by Defendant to Plaintiff. However, with respect to the prayer clause 60 (h), for a well-known declaration, the Court had directed evidence to be filed by the Plaintiff.

The Plaintiff filed an affidavit giving factual details and documentary evidence. The Plaintiff claimed that their marks fulfil all the factors laid down in section 11(6) of the Trade Marks Act, 1999.

- Factor 1 is the knowledge or recognition of the trade mark in the relevant section of the public, including in India- Plaintiff averred that Indian consumers have been purchasing Plaintiff's products since 1986.
- Factor 2 is the duration, extent and geographical area of any use of the trade mark- The use of the "NEW BALANCE" mark in India started in the year 1986 in footwear and apparel.
- Factor 3 is the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibitions of goods or services to which the mark applies- The Plaintiff claimed to have spent more than 244 million on advertising and promotions and has sponsored exclusive sports teams, leagues and individuals like Liverpool FC, Olympic teams of Ireland and Chile at 2016 Rio Olympics etc.
- Factor 4 is the duration and geographical area of any registration of or any application for registration of trade mark under this Act to the extent that they reflect the use or recognition of the mark- It is averred that the Plaintiff owns substantial registrations in India

under different classes, i.e., 25,28,35 since 18th May 1987. The Plaintiff has been granted registrations in various other countries as well, like the U.S.A., European Union, Australia, etc.

- Factor 5: The record of successful enforcement of the rights in that mark, in particular the extent to which the trade mark has been recognized as a well-known trade mark by any court or Registrar under that record- The Plaintiff relied on the judgement given by the coordinate bench in 2019:DHC:483 titled New Balance Athletics, Inc. v. Apex Shoe Company Pvt. Ltd. which observed that Plaintiff's "NEW BALANCE" mark is century old and deserves protection. Accordingly, it is stated that Plaintiff has filed various suits against unauthorized third-party use of Plaintiff's mark.

It was averred that the Plaintiff has not only acquired a transborder reputation but has fulfilled all the factors laid down in section 11(6) of the Trade Marks Act, 1999, to be treated as a well-known mark.

This Court further noted that the mark "NEW BALANCE" is a unique combination of two distinctive words, i.e., "New" and "Balance", which have no connection, allusion or description of the products of the services offered by Plaintiff. The logo is also quite distinctive and has been repeatedly enforced by the Court orders against misuse. The global reputation of the Plaintiff's marks has been proved on record. In addition, the Plaintiff has placed on record sufficient documentary evidence in support of the prayer for declaration as a well-known mark.

The Court has perused the plaint and the documents filed by the Plaintiff in support of its long-standing repute. On the strength of averments in the plaint and the documents and evidence in the form of an affidavit, the above marks "NEW BALANCE" and "NB" of the Plaintiff are, accordingly, declared as well-known marks. However, it is made clear that there shall be no monopoly on the words "New" and "Balance" if they are used separately with respect to any other goods or services.

132. Delhi High Court Restrains Unauthorised Use of "BACHPAN" Trademarks in Play School Services

Case: M/S SK Educations Pvt Ltd vs Sripati Bhushan Srichandan & Anr. [CS(COMM) 715/2023, I.A. 19763/2023 & I.A. 22665/2023]

Forum: Delhi High Court

Order Dated: November 2, 2023

Issue: Whether the use of Plaintiff's registered trademark "BACHPAN" by Defendant even after the expiry of the Franchisee Agreement amounts to infringement?

Order: This case was filed by plaintiff M/S SK Educations Pvt. Ltd. against the defendants Sripati Bhushan Srichandan and Anr. For the infringement of Plaintiff's registered trademark and passing off, by the defendants, of the services provided by it as the services of Plaintiff.

The Plaintiff had, since 2004, been providing play school services through a chain of approximately 1,000 playschools located in almost all states of India under the mark . The Plaintiff obtained the registration of the wordmark "BACHPAN" in class 16 in 2003 and in class 41 in 2008. Apart from the registration of the aforesaid word mark BACHPAN, the Plaintiff is also the holder of the following device mark registrations: , , , . Plaintiff averred that, by means of continuous use, the aforesaid marks have garnered renown and repute and have become Plaintiff's source identifiers.

Plaintiff had entered into a Franchisee Agreement with Defendant 1, whereby the Defendants were permitted to run play schools using the aforesaid mark of Plaintiff. The franchise was, however, subject to payment of license fees. The Franchisee Agreement expired on 31 January 2021 by efflux of time, and as there was a default on the part of Defendant 1 in

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paying the license fees, the Franchisee Agreement was not renewed. The defendants, thereby, lost all rights to use the Plaintiff's registered trademarks.

Thus, the Plaintiff had instituted the suit against the defendants, seeking a decree of permanent injunction, restraining the defendants and all others acting on their behalf from using the marks registered in favour of the Plaintiff or any other deceptively similar mark for running play schools or providing any other allied or cognate service.

The Court opined that the Plaintiff had made out a prima facie case both of infringement, by the defendants, of the registered trademarks of the Plaintiff as well as an attempt to pass off the services provided by the defendants as those of the Plaintiff despite the defendants having lost all right to do so consequent on the expiry of the Franchisee Agreement between the Plaintiff and Defendant 1 on 31 January 2021 and its non-renewal thereafter.

The Court also opined that the use, by the defendants, of the Plaintiff's mark for running playschools, holding itself out to be a franchisee of the Plaintiff, clearly results in the likelihood of confusion and association, as envisaged by Section 29(2)(c) read with Section 29(3) of the Trade Marks Act, 1999.

The Court relied on the Laxmikant V. Patel v. Chetanbhai Shah1 and Midas Hygiene Industries P. Ltd. v. Sudhir Bhatia, where the Supreme Court obligated the Court to ensure that continued infringement and passing off is discontinued by passing injunctive orders in that regard.

Thus, the Court restrained Defendant from using the mark BACHPAN either as a word mark or as a logo which is identical or deceptively similar to any of the device marks registered in favour of Plaintiff in the context of play school services or any other services which may be allied or cognate therewith. The Court further directed the defendants to ensure that reference to the mark BACHPAN, either as a word mark or as a device mark, is removed, forthwith, from all physical and virtual sites on which the mark may be reflected in association with the defendants.

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134. Madhya Pradesh High Court Denies Temporary Injunction in Blenders Pride vs London Pride Trademark Infringement Suit

Case: Pernod Ricard India Private Ltd. vs Karanveer Singh Chhabra [Misc. Appeal No. 232 of 2021]

Forum: High Court of Madhya Pradesh

Order Dated: November 3, 2023

Issues:

- Whether the act of the Defendant in adopting the Plaintiff's registered trademark is an actionable tort?
- Whether such act justify the issuance of a temporary injunction?

Order: The Plaintiff filed the present appeal under Order 43 Rule 1(r) of the Code of Civil Procedure read with Section 13 of the Commercial Courts Act, 2015 against the order dated 26.11.2020 passed by the Commercial Court, Indore, whereby their application under Order 39 Rule 1 and 2 of the CPC for issuance of temporary injunction has been rejected.

The plaintiffs are in the business of manufacturing and distribution of wines, liquors, and spirits. They are manufacturing and selling whisky in the name of 'Blenders Pride' and 'Imperial Blue'. They have registered trademarks in respect to them and have such registered trademarks in respect to Seagram, which is the house mark of plaintiff No.1, which is used in India and internationally and which appears on their products sold under various brands.

Plaintiff claimed that Defendant has imitated the aforesaid trademark of plaintiffs and is manufacturing and selling its whisky under the trademark 'London Pride'. The trademark of the plaintiffs, namely, Blenders Pride, was adopted in 1973 and was registered in favour of Seagram's Company Limited. The plaintiffs have become proprietors of the said trademark in India with effect from 27.06.2018. Blenders Pride is marketed with a distinctive label and Seagram's logo.

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The plaintiffs' case is that Pride is the most essential and distinctive component of their mark' Blenders Pride', which they have been using since 1995. They have also been using another mark, 'Imperial Blue', since 1997 and are selling whisky under the same distinctive label, packaging, and trade dress. Both the marks have acquired goodwill and reputation. The plaintiffs have obtained registration in respect of their trademark in Class -33. Likewise, the trademark 'Seagram's' is a registered trademark of plaintiff No.2 of Class-33.

The Defendant is imitating all the aforesaid trademarks of the plaintiffs and has filed a trademark application of trademark London Pride in class-33, which has been objected to by the plaintiffs. The plaintiffs acquired knowledge that the Defendant is selling London Pride whisky, which is deceptively similar to its Blenders Pride trademark. The whiskey of Defendant is being sold by putting labels on it and using packaging, getup, and trade dress deceptively similar to Imperial Blue. Their bottles bear the trademark Seagram's.

Defendant, by using the label London Pride and with the manner of its packaging, getup and trade dress, is practising misrepresentation and fraud to deceive the customers. It impinges upon the trademark, goodwill, and reputation of Plaintiff's trademarks and derives illegal benefits by doing the same, which causes enormous monetary loss, injury, and damage to Plaintiffs. The plaintiffs instituted an action before the trial Court intra alia seeking permanent injunction restraining the Defendant.

Defendant contested the application for issuance of a temporary injunction by filing its reply, submitting that it is the proprietor of London Pride and is a registered copyright owner of the artistic work London Pride and all other intellectual properties connected therewith. He manufactures and sells liquor under the brand name London Pride in Madhya Pradesh. His trademark, London Pride, is entirely different in name, style and composition from any of the earlier registered trademarks.

The brand name London Pride is also registered with the Excise Department of State of Madhya Pradesh. There is no similarity between the mark of Defendant London Pride and the marks of plaintiffs as is being contended by them who have no prima facie case, irreparable injury, or balance of convenience in their favour. Defendant, however, did not dispute the facts regarding Plaintiff's trademarks and their registration and the fact that they are being used by them.

The trial court observed inter alia that the two brands of the parties, in comparison, have only significantly similar features, and one of them is the word 'PRIDE'. There is no other similarity visible in the two. The packaging, style, shape and logo are all different. The word 'Pride' is commonly used in common parlance. It cannot be said that exclusivity in respect of the same is attributed to plaintiffs. Pride is a distinct word and is not used as a suffix of any word.

A consumer going into the market to purchase premium/ultra-premium whisky will not be confused by the word 'Pride' in the name of any brand. The mark must be compared as a whole. Merely by using the word 'Pride' in its trademarks, it cannot be said that Defendant has imitated Plaintiff's trademarks. The packaging of the plaintiffs' and defendants' brands shows remarkable differences.

Plaintiffs cannot claim exclusivity with respect to bluish shade. The front of the packaging distinctively bears two names, which are dissimilar. Eventually, it held that overall, no similarity is found in Defendant's brand, which can be said to be such an imitation of Plaintiff's trademarks, which would deceive the consumers of their products. In consequence, the Plaintiff's application for the issuance of a temporary injunction has been rejected.

The plaintiffs submitted that the trial court's whole approach was illegal and erroneous. Plaintiff's entire registered trademark ought to have been compared with Defendant's trademark without splitting up and dissecting any of the trademarks to adjudicate visual, phonetic, and structural similarity.

It has, however, split up the word 'Pride' and has then made the comparison. Splitting up of a registered word ''TM' is impermissible even according to Section 28(1) of the Trademarks Act, 1999. The plaintiffs have registered the word 'TM' into Blenders Pride. These principles are applicable even at the stage of consideration of an application for issuance of temporary injunction.

Plaintiff also submitted that the Act of the Defendant of dishonestly adopting the previously existing registered trademark of the plaintiffs is an actionable tort and requires the issuance of temporary injunction forthwith without any further proof of other necessary ingredients.

The Defendant supported the impugned order and has submitted that the same is in sound exercise of jurisdiction by the trial Court and no illegality or perversity can be pointed out in the same. It has made a thorough evaluation of the marks of both the parties and has thereupon come to its conclusions.

After considering the submissions of the parties and perusing the record, The Court relied on the decision of the Supreme Court in the case of Colgate Palmolive (India) Ltd vs Hindustan Lever Ltd 1999 for the grant of interim injunction.

The Court held that in an appeal against the refusal of a temporary injunction by the trial Court, the Appellate Court would not interfere unless it is shown that the trial Court has acted illegally or perversely since relief regarding the grant of a temporary injunction is a discretionary relief. Merely because two views were possible, it would not be sufficient to dislodge the order of the trial Court. If it appears that a plausible view has been taken, interference shall be declined.

After considering all the facts of the case, the Court opined that the trial Court had not committed any error in holding that no similarity is found in Defendant's mark, which can be said to be such an imitation of Plaintiff's trademark, which could deceive the consumers of Plaintiff's products. The findings arrived at by the Trial Court are just and legal and call for no interference. As a result, the appeal is found to be devoid of any merits and is hereby dismissed. The Court directed the trial court to proceed with the matter on merits expeditiously.

135. Explicit Tenable Challenge to Validity in Plaintiff's Pleadings Essential under Section 124(1)(b) of Trademarks Act, 1999

Case: Intercontinental Great Brands vs Parle Products Private Limited [CS(COMM) 64/2021]

Forum: High Court of Delhi

Order Dated: November 3, 2023

Issue: Whether the application filed by Plaintiff to initiate rectification proceedings against Defendant's mark FABIO challenging its validity tenable?

Order: The Plaintiff is the registered proprietor of the mark "OREO" and its variants (hereinafter referred to as the "OREO trademarks") which have been used for its vanilla-filled chocolate cream cracker biscuits, whereas Defendant was manufacturing, selling and advertising cream filled cookie/biscuit under the marks FABIO, FAB!O and their variants including labels/trade dress and cookie trade dress (hereinafter referred to as "the impugned marks"). Plaintiff contended that the impugned marks are identical and/or deceptively and confusingly similar to Plaintiff's well-known and earlier registered OREO trademarks. Defendant also filed several trademark applications for the impugned marks, which were duly opposed by Plaintiff.

Plaintiff was successful in securing an interim injunction against Defendant vide an earlier order dated February 10, 2023, which prohibited Defendant from using the impugned marks FABIO or FAB!O for any purpose whatsoever and also restrained from manufacturing, packing or selling their vanilla cream-filled chocolate sandwich biscuits under the packaging and trade dress, which was held deceptively similar to Plaintiff's trade dress. Subsequently, Plaintiff filed an application under Section 124(1) (b) of the Act to initiate rectification proceedings against the FABIO registered mark of Defendant.

Relying upon its earlier order in another matter, *Dharampal Satyapal Ltd. v. Basant Kumar Makhija*, the Court reiterated its interpretation of Section 124(1)(b) of the Act and dismissed the application of the Plaintiff.

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To opine whether there is a prima facie tenable plea of invalidity, the Court examined the pleadings of Plaintiff and found that despite references to FABIO in the plaint, Plaintiff did not directly challenge the validity of the FABIO mark. However, as far as the Defendant is concerned, the Court concluded that they asserted a defence under Section 30(2)(e) of the Act. Thus, since the Plaintiff did not contest the FABIO mark's legality in its plaint or its replication explicitly, the Court determined that the requirements under Section 124 of the Act haven't been satisfied.

Section 124(1) (b) of the Act provides an instance where Defendant raises a particular defence of non-infringement owing to its trademark registration under Section 30(2)(e) of the Act, and Plaintiff challenges the validity of such trademark. The Court opined that in order for Section 124(1)(b) to apply, Defendant must first assert the defence of non-infringement under Section 30(2) (e) of the Act by relying upon their trademark registration, and Plaintiff must contest the Defendant's trademark validity in its pleading.

The Court cited its disagreement with the interpretation of the coordinate bench of the same Court in *Travellers Exchange Corporation Ltd. v. Celebrities Management Pvt. Ltd*, which held that Plaintiff must amend the initial Plaint after Defendant raises the Section 30(2)(e) defence. The Court, in the present order, clarified that the amendment is not the only way, and Plaintiff can assert the invalidity plea in the replication or in its original plaint if it has pre-empted such defence of non-infringement. Further, the Court emphasized that the phrase "*prima facie tenable*" in Section 124(1)(b) does not require the Court to hold an extraordinarily high standard; rather, it merely requires the Court to be satisfied that the Plaintiff's assertion of the Defendant's trademark invalidity is arguable.

It was contended by Plaintiff that a fresh plea of invalidity may be made in the application filed under Section 124 of the Act, even if such plea was not included in the plaint or its replication. The Court, however, disagreed, stating that the main argument of invalidity ought to have been brought up in the plaint or replication itself, even though a Section 124 application can go into further detail regarding the grounds contesting the Defendant's mark's validity. Plaintiff also contended that the reservation of the right to contest Defendant's FABIO mark registration in its plant should be seen as a legitimate challenge; however, the Court did not accept the argument. The Court, while doing so, specifically observed that the plaint contains no reference to the FABIO mark's invalidity and further emphasized that making reservations about rights does not grant the party access to new rights and that these reservations are founded on erroneous legal interpretations. Further, the Court gave a glaring observation that to reserve rights, a party must ask the Court for approval, and such reservations must be based on existing or foreseeable rights.

The Plaintiff interestingly attempted to link a challenge to "FAB!O" with an indirect opposition to "FABIO". However, Defendant contended that Plaintiff had expressly denied any phonetic equivalence between "FABIO" and "FAB!O" in the replication and cannot claim to have indirectly opposed "FABIO". The Court agreed with the Defendant and observed that since Plaintiff explicitly maintains that "FAB!O" is an unregistered mark and is not phonetically comparable to "FABIO", it was required to independently and credibly declare the registration of "FABIO" as invalid. However, there was no independent challenge in either the replication or the plaint. The Court further clarified that in the present suit, the Plaintiff's application failed to challenge the registration of the "FABIO" mark or provide any grounds for such a challenge.

The Court also rejected the Defendant's argument that the mark being contested is required to be mentioned in the impugned marks in the plaint. Relying upon its earlier decision in *Nadeem Majid Oomerbhoy v. Gautam Tank*, the Court held that the intent of Section 124 is to maintain an even balance between the parties, and it permits any party, regardless of whether the mark being contested in the plaint is the same as the mark asserted by the opposing party, to request the framing of an issue relevant to the mark. The Court noted that even if Defendant relies on a registration for a mark that is not specifically contested in the plaint, Plaintiff has the right to question the registration's validity if it exhibits prima facie tenable grounds. Thus, the Court observed that the Defendant's defence under Section 30(2)(e) based on the registration of "FABIO", even if it is not the impugned mark in the plaint, allows the Plaintiff to contest its validity under Section 124(1)(b) of the Act.

136. Delhi High Court Issues Injunction Against Unauthorised Use of World Trade Centre Marks and Logos

Case: Viridian Development Managers Pvt. Ltd. vs RPS Infrastructure Limited [O.M.P.(I) (COMM.) 335/2023]

Forum: The High Court of Delhi

Order Dated: November 6, 2023

Issue: Whether the use of applicant's registered trademark WTC by the respondent even after the termination of MOU constitute to infringement?

Order: The present petition is filed by the applicant *Viridian Development Managers Pvt. Ltd*. under section *9* of the Arbitration and Conciliation Act, 1996, seeking to restrain the respondent from using the Trade Marks World Trade Centre, Faridabad; WTC, Faridabad and WTC Logo or any other trademark identical with or deceptively similar thereto, in any manner whatsoever.

The respondent is the developer of a project being developed on land measuring 7.587 acres situated at Sector- 27C, Village Sarai Khwaja, Faridabad (the "Project"). In the year 2010, the respondent launched the said Project under the name of "RPS Infinia". The respondent, in May 2021, approached the petitioners to avail their services, including branding services and services for making sales of the balance inventory. After negotiations, the respondent and petitioner No. 1 entered into a "Memorandum of Understanding" (the "MOU") dated 28.06.2021 with respect to the said Project. Pursuant to the MOU, on the same date, the respondent and petitioner no.2 entered into a "Consultancy Agreement for Brand and Business Development Related Services" dated 28.06.2021, and the Respondent and petitioner no.1 entered into a "Consultancy Agreement for Marketing, Distribution and Sales Advisory Services" dated 28.06.2021.

By virtue of the MOU and Agreements dated 28.06.2021, the Project "RPS Infinia" was to be rebranded as WTC Faridabad, along with the concept name defined by the respondent. The petitioners represented to have rights to the said brand/mark; further, the respondent was not to have any right claim or interest in any brand/mark associated with the petitioners.

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The petitioners claimed to have rights to the brand/mark "World Trade Centre Faridabad",; "WTC Faridabad,"; and WTC Logo on the strength of a "Licence Agreement" dated 14.03.2017 executed between "World Trade Centre's Association, Inc" (the "WTCA New York"), a Delaware Corporation and "WTC Noida Development Company Pvt. Ltd.". Petitioner no.2, being a 100% subsidiary of WTC Noida Development Company Pvt. Ltd, is stated to be entitled to exploit the said marks in the territory of Faridabad, India.

The respondent, while using the aforesaid brand/mark of the petitioners, is stated to have ignored the petitioners' instructions regarding the usage and manner, font, colour scheme, and visual appearance of the said brand/mark and used the same incorrectly, thereby hampering the brand's image. Respondent is also stated to have committed defaults in making payments to petitioners in terms of the aforesaid agreements.

Disputes having arisen between the parties, the petitioners sent a legal notice dated 12.05.2023 to the respondent, thereby terminating the MOU and Agreements dated 28.06.2021 and called upon the respondent to cease and desist from all use of the brand/mark WTC, World Trade Centre and WTC logo and raised certain monetary claims upon the respondent.

The Court noted that the MOU and Agreements dated 28.06.2021 grants the respondent the right to use and/or licence to the brand/mark of the petitioners - "World Trade Centre Faridabad"; "WTC Faridabad" and WTC Logo- for rebranding of the Project "RPS Infinia". Clause 2.6 of the said MOU clearly stipulates that upon termination/determination of this agreement, the developer/respondent shall have no right to use any brand/mark associated with the consultants/petitioners and/or any brand/mark identical or deceptively similar thereto, in relation to Project, expansion or part thereof.

The Court concluded that Once the petitioners have terminated the MOU and Agreements dated 28.06.2021 vide legal notice dated 12.05.2023, it is impermissible for the respondent to use the mark and/ or to continue to hold out to the public that the petitioners and their brand/mark - "World Trade Centre Faridabad"; "WTC Faridabad" and WTC Logo - is associated with the Project.

The Court restrained the respondent from using the marks "World Trade Centre Faridabad",; "WTC Faridabad", and WTC Logo or any other trademark identical with or deceptively similar thereto in any manner whatsoever. A period of two weeks is granted to the respondent to make necessary applications/intimation to RERA and/or bank/financial institutions for the purpose of making appropriate changes in the documentation/s concerning the Project and to take all requisite steps to migrate to the use of a non-infringing mark/brand. As undertaken by learned counsel for the respondent, the switchover to a non-infringing mark/brand, in all respects and for all purposes, shall be completed within a period of 3 months from today.

The Court further concluded Insofar as the monetary claim of the petitioners against the respondent is concerned, and the prayer sought to the effect that the respondent be directed to deposit an amount of Rs.31,30,71,753/- (Rupees Thirty-One Crore Thirty Lac Seventy-One Thousand Seven Hundred and Fifty-Three only) towards its outstanding dues owed to the petitioner No.1, and a sum of Rs.1,75,99,773/- (Rupees One Crore Seventy Five Lakh Ninety Nine Thousand Seven Hundred Seventy-Three only) towards its outstanding dues owed to the petitioner No.2 is concerned, the same is required to be adjudicated upon by a duly constituted arbitral tribunal. The aforesaid amounts stated to be owed by the respondent to the petitioners are not in the nature of a liquidated/admitted sum. At this stage, therefore, the Court is not inclined to pass any order(s) directing the respondent to deposit the concerned amounts and/ or to furnish security. However, liberty is granted to the petitioners to pursue their prayer/s against the respondent for furnishing appropriate security for securing their claim/s before a duly constituted arbitral tribunal.

137. Combat to Use the Word SHRINATH for Tours and Travels

Case: Shrinath Travel Agency & Anr. vs Infinity Infoway Pvt Ltd & Ors. [CS(COMM) 738/2023]

Forum: High Court of Delhi

Order Dated: November 6, 2023

Issue: Whether the use of marks , , and by the defendants infringes the registered trademarks trademarks , , , of the Plaintiff?

Order: The Plaintiffs had a *prima facie* case for seeking a permanent injunction against the Defendants for using the marks "**Shrinath Tourist Agency**", "**Shrinath Nandu Travels**", and.

The Plaintiffs held valid and subsisting trademark registrations of the mark in class **16** and the marks "**SHRINATH**",

, and

in class **39** (*hereinafter collectively known as* "*Plaintiffs marks*"). The Plaintiffs submitted that they had adopted the word mark "**SHRINATH**" in the year **1978** and since then have been continuously using the same on a pan-India basis. The Plaintiffs also submitted that they were engaged in the business of tours and travels under the aforementioned marks for which they submitted their sales turnover from the year 2016-17 till 2022-23. It was noted that the sales for the single year 2021-22 itself was INR 51,81,18,002 (USD 61,00,000 approx.). The Plaintiffs were also awarded with various awards and accolades for their excellent services. Further, it was noted that the Plaintiffs were granted an interim injunction by this Hon'ble Court in *Shrinath Travel Agency v. Maventech Labs Pvt. Ltd.* for violation of the aforementioned prior-registered marks of the Plaintiffs by the Defendants in the case and for using infringing domain names, namely www.shreenathtourandtravels.com, www.shrinathtravels.net and www.shreenathtravels.com. The Plaintiffs alleged that Defendants 3 and 4 in the present case used their word mark "**SHRINATH**" and identical logo marks, which resulted in confusion amongst the general public. Further, it was alleged that even though Defendant 5 was using the infringing mark , the word "**SHRINATH**" was not a part of its logo; Defendant was, however, using the motif of the bus, with the underlining below the mark and the words "**Travel and Transport Agency**" as well as the use of the colour combination of red and blue similar to that of the Plaintiff, which was likely to confuse customer at least into believing an association between the Defendants and the Plaintiffs within the meaning of Section 29(2)(b) of the Trade Marks Act 1999. It was further emphasized that the people who used the buses of the Plaintiffs and the Defendants generally belonged to the semi-literate or illiterate class, who would not be able to notice the difference between the words **SHRINATH** and **HUMSAFAR** and would be taken in by the overall similar appearance by the two marks. Further, the Plaintiff also sought an injunction restraining the Defendants from using the domain names www.ajayshreenathtravellers.com, www.shrinathnandutravels.com and www.humsafar.biz. The Defendants in the present case neither appeared before the Court nor did they file any response to this application seeking injunction. Thus, the Court observed that the Plaintiffs had put forth a *prima facie* case in their favour. The Court, by placing reliance on ***K.R. Chinna Krishna Chettiar v. Shri Ambal & Co.***, held that Defendants 3 and 4, by using the marks , have infringed the Plaintiff's prior-used and prior-registered marks. This was because of the use of the words "**SHRINATH**" and/or "**SHREENATH**" by the Defendants, which was identical, especially phonetically, to the Plaintiff's registered marks. This was principally in respect to the mark "**SHRINATH**," for which the Plaintiffs possessed a word mark registration, and because of which the aspect of the likelihood of confusion stood exacerbated. Further, it was also observed that since the Plaintiffs were continuously using their prior registered marks, the continued use of the impugned marks by the Defendants infringed and possibly diluted the Plaintiff's brand value. Thus, it was held that the balance of convenience and irreparable loss lay in the favour of the Plaintiffs for the grant of injunction. In this regard, the Court directed the Defendants to remove the use of the impugned marks from all their virtual and physical sites, including their social media. However, as far as the mark of Defendant 5 was concerned, it was held that the predominant and the leading feature of the mark was the word "**HUMSAFAR**", and the same has no similarity with the word "**SHRINATH**". Further, the Court also held that the mere fact that both the marks incorporated the figure of a bus and a line drawn below the name, with “Travel and Transport Agency” printed below the line in the case of Defendant 5 and “Travel Agency” printed below the line in the case of the Plaintiffs, could not make out a case of deceptive similarity as the same was not unique to either of them. In view of the above, it was held that the mark

HUMSAFAR TRAVEL & TRANSPORT AGENCY of defendant 5 and the domain name www.humsafar.biz, did not infringe the Plaintiff's marks’. Thus, the Court awarded an injunction in favour of the Plaintiff against Defendants 3 and 4 and directed Defendants 6 and 7 to block the domain names www.shrinathnandutravels.com and www.ajayshreenathtravellers.com pending disposal of the present suit.

138. Delhi High Court Restrains Defendants from Using NILKRANTI as a Word Mark

Case: Nilkamal Crates and Containers & Anr. vs Ms. Reena Rajpal & Anr. [CS(COMM) 707/2023]

Forum: High Court of Delhi

Order Dated: November 6, 2023

Issue: Whether the use of the mark 'NILKRANTI' by the Defendant infringes the registered trademark 'NILKAMAL' of the Plaintiff?

Order: This Case is filed by Plaintiff 1who is the proprietor of various trademarks registered under the Trade Marks Act, 1999, of which, for the purposes of the dispute at hand, one need only refer to the word mark NILKAMAL, registered w.e.f. 22 January 1999 and the device marks registered w.e.f. 6 December 2010 and registered w.e.f. 9 May 1996. Vide License Agreement dated 1 September 1998 Plaintiff 1 authorised Plaintiff 2 to manufacture, package, supply, and render services of goods as mentioned in Schedule 1 of the license agreement. Plaintiff 2 is thus the licensee of Plaintiff 1 and is continuously using the trademark NILKAMAL.

The plaintiffs are using the aforesaid marks for, among other things, plastic moulded chairs. The plaintiffs claim users of the marks since 1999. The plaintiffs are aggrieved by the Defendant's use of the mark NILKRANTI and the logo. The defendants, too, admittedly, use the impugned marks for plastic moulded chairs.

The Court observed that the mark NILKRANTI, seen as a word mark, cannot, in my view, be regarded as confusingly similar to that mark NILKAMAL. The common prefix "NIL" is merely the first of three syllables which constitute the word. It is well-settled that the rival marks are to be considered as whole marks and not by vivisecting them into their individual components. This principle also finds its statutory avatar in Section 177 of the Trade Marks Act, which specifically holds that plaintiffs are entitled to claim exclusivity over a registered mark as a whole and not over individual parts of the mark unless such parts are registered by themselves as marks. The plaintiffs do not have any registration for the "NIL" prefix of the NILKAMAL mark.

The plaintiffs cannot, therefore, claim a monopoly over the prefix "NIL" so as to injunct all others from using "NIL" as a prefix for the marks in respect of plastic moulded chairs or any other item or furniture for that matter.

The Court opined that there is no similarity between NILKAMAL and NILKRANTI. In fact, the latter half of the two marks, "KAMAL" and "KRANTI", individually have their own distinct etymological connotations in the vernacular, with the one meaning a lotus and the other a revolution. There is really no reason why the Court should presume a consumer of average intelligence and imperfect recollection to be likely either to confuse NILKAMAL with NILKRANTI or to believe NILKRANTI to have some association with NILKAMAL, a mark which he has seen some time past. No case for interdicting the defendants from using the mark NILKRANTI as a word mark, therefore, exists.

However, insofar as the rival device marks are concerned, the plaintiffs possess a registration for the device mark. When the device marks are compared, there is a stark similarity between the two. In each case, the words NILKAMAL and NILKRANTI are written in similar blue letters. The words "Nilkamal" and "Nilkranti" are both underlined. The "n figures" over the names NILKAMAL and NILKRANTI (and) are also similar to each other, though the central lotus and "H" figures may differ. In each case, the word has been encased in an elliptical border.

The Court further observed that a consumer of average intelligence and imperfect recollection who has come across the plaintiffs' device mark affixed on a chair at one point in time and, at a later point in time, comes across the defendants' device mark also affixed on a similar chair, has every likelihood of being confused between the two, or at least on believing that they are two marks belonging to the same person and are, therefore, associated.

The application was, therefore, disposed of in the following terms:

The Court rejected the plaintiffs' prayer to restrain the defendants from using NILKRANTI as a word mark, either for chairs or for any other item. However, the defendants shall stand restrained from using the device mark or any other device mark that is confusingly or deceptively similar to the device marks of the plaintiffs.

It was clarified that the defendants would be at liberty to use "NILKRANTI" in any other manner that does not infringe the plaintiffs' device marks.

The Court directed that the chairs which have been inventoried and seized by the local Commissioner pursuant to the orders passed by this Court are concerned, the defendants would be at liberty to dispose of the chairs, but after removing from the chairs, the infringing labels. Any such removal of labels and disposal of chairs shall take place in the presence of the representatives of the plaintiffs. In case any such removal is to be undertaken, details thereof shall be placed on record before this Court by the defendants, on affidavit. The defendants shall place on record the figures of stock and sales of chairs affixed with the infringing device mark, manufactured, and sold by them since the inception of use of the mark.

139. POLO – A Gameplay of Trademarks

Case: The Polo/ Lauren Company L.P. vs Home Needs [FAO (COMM) 213/2023]

Forum: High Court of Delhi

Order Dated: November 7, 2023

Issue: Whether the discharge of ad-interim injunction restraining the defendant Home Needs from using the trademark 'POLOLIFETIME', the word 'POLO' as well as the mark 'RALPH LAUREN' carrying with it a picture of a polo player by the Tiz Hazari Court was valid?

Order: This appeal was filed by the appellant Polo/ Lauren Company L.P. against the order passed by the District Judge (Commercial Court-01) Central, Tis Hazari Courts, Delhi, on 14 November 2023 discharging the ad-interim injunction restraining the Defendant Home Needs from using the trademark 'POLOLIFETIME', the word 'POLO' as well as the mark 'RALPH LAUREN' carrying with it a picture of a polo player.

The appellant is a limited company that has been a global leader in the field of designer and branded apparel, accessories, and home collections since 1967. The Plaintiff has also been involved in designing and authorizing the manufacture, promotion and sale of high-quality women's and children's clothing and accessories. The Plaintiff enjoys a high reputation and goodwill in the market. The Plaintiff uses a family of trademarks such as POLO, RALPH LAUREN, POLO PLAYER DEVICE, and POLO BY RALPH LAUREN, amongst many other POLO formative marks. The Plaintiff adopted the trademark POLO for use in relation to clothing in 1967, and the POLO PLAYER DEVICE was adopted in 1972, besides a few other variants.

The appellant submitted that the Respondent was in the business of manufacturing, marketing, soliciting, selling, displaying, and trading a variety of household products and kitchen utensils, and other related products under the trademarks 'POLOLIFETIME', POLO, Device of Polo Player which were identical and deceptively similar to the marks of the appellant. The appellant argued that adding the word 'LIFETIME' to the phrase 'POLO' did not make it distinctive and identifiable. Thus, the

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Respondent's marks are visually and phonetically similar to the Plaintiff's marks.

The Court opined that the order passed by the District Judge (Commercial Court-01) Central, Tis Hazari Courts, Delhi on 14 November 2023, in terms of which an ex parte injunction which was granted on 26 November 2020 has come to be discharged, is not sustainable.

The Court noted that the Respondent holds a registration for the trademark 'POLOLIFETIME,' a composite word registered on 25 February 2011. In contrast, the appellant had registrations for the term 'POLO' and the mark 'RALPH LAUREN' carrying with it a picture of a polo player as part of the device registration commencing from 04 January 1980 to 27 July 1992.

The Court noted that in the case of The Polo/Lauren Company L.P. vs Rohit S. Bajaj & Ors, a bench of a single judge held that the trademark POLO / RALPH LAUREN / POLO PLAYER DEVICE were liable to be recognized as 'well-known' marks as defined under Section 2(1)(zg) of the Trade Marks Act, 1999. The Court, prima facie, found merit in the challenge and held that till the next date of listing, there shall be a stay of the impugned order dated 14 July 2023. The case will be listed on 01 February 2024.

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140. Delhi High Court Allows Appeal by Patanjali Ayurved in Trademark Suit Against Meta Platforms Inc

Case: Patanjali Ayurved Ltd vs Meta Platforms Inc Ors & Ors. [FAO 280/2023, CM APPL. 56965/2023]

Forum: High Court of Delhi

Order Dated: November 7, 2023

Issue: Whether the use of Plaintiff's trademark "PATANJALI" and photos of Plaintiff's brand ambassadors in a video by the respondent amount to trademark infringement or defamation?

Order: The Plaintiff filed this appeal under Order XLIII Rule 1 r/w Section 106 of the Civil Procedure Code, 19081 as amended, against the impugned order dated 28.07.2023 passed by the learned Trial Court.

The Plaintiff is a company incorporated under the Company Act 1956. It is engaged in manufacturing and distributing various healthcare products throughout India and abroad using its registered trademark "PATANJALI".

The Plaintiff's grievance is that a video has been uploaded by Respondent no.4/defendant no.4 on the internet platforms management and controlled by Respondent nos. 1 to 3 and 5. Plaintiff stated that the alleged video is an advertisement of men's undergarments, wherein Plaintiff's trademark and pictures of its brand ambassadors and directors are used unauthorizedly.

The Plaintiff further stated that although there is no information available about respondent no.4/defendant no.4, who supposedly uploaded the said video, the video is being displayed on the internet platform of defendant no.5/Youtube LLC, providing access to view the said video to internet users, and thereby is generating revenues for them.

The suit summons were issued to the respondents, except for respondent no. 4, who put their appearance and the offending video in question was played in the Trial Court on 19.10.2022. The Plaintiff urged that the learned Trial Court has committed a grave error in holding that the suit is of a commercial nature and urged that the Plaintiff be aggrieved since the offending video is not only infringing their trademark but also defamatory and disparaging nature towards its brand ambassadors. Relief of compensation was also claimed for purported defamation.

The Respondent's nos. 1,2,3, and 5 urged that no proceedings can be brought against them as they are simply intermediaries in Section 2(w) of the Information and Technology Act, 20003 and are exempted from any liability in Section 79 of the said Act.

After hearing all the parties, the Court decided that the impugned order dated 28.07.2023 passed by the learned Trial court cannot be sustained.

The respondents urged that there is no cause of action in favour of the Plaintiff to institute any suit against them, which ought to be rejected under Order VII Rule 11(a) CPC. It was further urged that the offensive video is an innocuous parody that neither disparages the Plaintiff's trademark nor in any manner results in defamation. It is further urged that they are not making any financial gains; instead, such video would otherwise be protected by exercising the fundamental right to freedom of speech and expression under Article 19(1)(a) of the Constitution.

After hearing both the parties, The Court allowed the appeal and directed the learned Trial Court to listen to the parties afresh and decide the issues involved in the suit afresh after hearing the parties. The parties shall appear before the learned Trial Court for a hearing on 01.12.2023.

141. Mom’s Magic faces backlash “Out of the Blue” by Good Day: The Principle of Anti Dissection versus Overall Similarities

Case: ITC Limited vs Britannia Industries Ltd [O.S.A.(CAD). Nos.134 to 138 of 2023]

Forum: High Court of Madras

Order Dated: November 8, 2023

Issue: Whether ITC's use of the MOM'S MAGIC mark, along with the change in packaging colour and design, constituted an infringement of Britannia's trademarks (GOOD DAY) and trade dress associated with Good Day Butter Cookies?

Order: The Plaintiff Britannia, which had adopted the GOOD DAY mark in 1986, argued that the distinctive packaging style associated with Good Day Butter Cookies had become synonymous with their brand. Plaintiff had secured protection for its marks, GOOD DAY, and the distinctive packaging design and asserted that Defendant's use of MOM'S MAGIC, along with similar blue packaging, amounted to infringement, passing off, copyright violation, dilution of goodwill, and unfair competition.

The Defendant ITC countered these claims, asserting their status as the registered proprietor of the MOM'S MAGIC mark for butter cookies. They explained that the change in packaging colour resulted from common trade practices, as blue packaging is often associated with butter and dairy products. ITC further argued that there were no substantial similarities between the two products' packaging.

The Single Judge acknowledged Britannia's long-standing use of the packaging and its recognition among consumers. The Court determined that ITC's change in packaging colour, particularly in the southern regions of India, lacked reasonable justification.

Appealing to the Single Judge's decision, ITC emphasised the differences in the packaging's individual elements and reiterated the common trade practice of using blue for butter cookies. They maintained that only the colour of their packaging had changed, not the design itself. The packaging is given below:

OLD PACKAGING OF DEFENDANT'S PRODUCT	NEW PACKAGING OF DEFENDANT'S PRODUCT
	

ITC argued that the Plaintiff's case hinged solely on using the colour blue. They further contended that the individual elements of the packaging exhibited significant differences when viewed without the colour blue. Additionally, they asserted that since the law did not protect the use of a single colour, the Plaintiff's claims should be dismissed. The individual elements of the packaging are presented below:

MOM'S MAGIC ELEMENTS	GOOD DAY ELEMENTS
	
	

Britannia countered that when placed side by side in supermarkets, the packaging of the two products could easily cause consumer confusion. They acknowledged that they had not pursued legal action against ITC's previous red packaging due to the reduced likelihood of confusion. However, they asserted that the sudden switch to blue packaging indicated ITC's dishonest intentions. Britannia emphasised that the injunction sought only applied to the blue wrappers, allowing ITC to continue selling their products in red packaging.

The Division Bench upheld the Single Judge's order, granting an injunction against the Defendant's blue packaging for Mom's Magic butter cookies. The Court reiterated that injunctions must be granted when a prima facie case of infringement is established. The Court found that Defendant's trade dress was deceptively similar to Plaintiff's trade dress, even though the individual elements of the packaging were different. The Court noted that Defendant's use of a blue colour scheme, along with other design elements, was likely to confuse consumers into believing that Defendant's products were from the same source as Plaintiff's products. The Court also found that Plaintiff was the prior user of the trade dress and that Defendant's adoption of the trade dress was dishonest.

142. Phillips India Limited Wins in Trademark Dispute Against Khoday India Limited for ‘Red & White’ Mark

Case: M/S Godfrey Phillips India Limited vs Khoday India Limited [(T) CMA (TM) No.31 of 2023]

Forum: High Court of Delhi

Order Dated: November 9, 2023

Issues:

- Whether the appellant's mark is a well-known trademark?
- Whether non-use of the impugned mark by the first Respondent is a material consideration in deciding this dispute?

Order: This Civil Miscellaneous Appeal was filed by M/s. Godfrey Phillips India Limited under Section 91 of the Trademarks Act, 1999, against the order dated December 05, 2012, passed by the Respondent No.2/learned Deputy Registrar rejecting the Application No.668242 for registration of the trademark “Red & White”.

Khoday India Limited is a manufacturer of alcoholic beverages. An application for registration of the trademark “Red & White” was submitted by Khoday India Limited on 06.06.1995 on a 'proposed to be used' basis. The said trademark was accepted for advertisement and advertised in the Trademark Journal. M/s. Godfrey Phillips India Limited filed an opposition on the basis that it owns the trademark “Red & White” in relation to cigarettes and other related products. Godfrey Phillips asserted that it adopted and started using the trademark "Red & White" in 1940 and that the said trademark was advertised widely in print and electronic media. It further asserted that registrations were obtained with respect to the trademark “Red & White” and formative marks in class 34 from 05.02.1973 onwards.

The Court noted that the relative grounds for refusal of registration under Section 11(1) of the Trademarks Act are applicable only if the relevant trademarks are identical or similar and the relevant goods or services are identical or similar.

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The Court also noted that the Trademarks Act does not define the expression "similarity of the goods or services". Therefore, it referred to the case of Nandhini Deluxe v. Karnataka Coop. Milk Producers Federation Ltd. and Hatsun Agro Product Ltd. v. Arokya Food Products, where it was observed that similarity of goods is required to be decided by considering multiple factors. Thus, after conducting the test, the Court concluded that cigarettes and alcohol cannot be used as substitutes and do not fulfil the same purpose. The mere fact that cigarettes and alcohol may be consumed at the same time does not satisfy the above test of complementarity. Thus, sub-section 1 of Section 11 of the Trademarks Act becomes inapplicable.

The Court noted that the expression "well-known trade mark" is defined in Section 2(1)(zg) of the Trade Marks Act. It further noted that Sub-section 2 of Section 11 provides for goods/services/class-agnostic protection to a well-known mark. Thus, even if the goods or services are not similar, if the opponent's trademark is a well-known mark, the registration of the subsequent mark would be refused subject to the opponent establishing the requirements of sub-section 2 of Section 11.

The Court noted that Godfrey Phillips has established that the trademark was recognized in the relevant section of the public and that goods bearing the trademark were sold throughout the length and breadth of the country. In fact, the registrations obtained outside India also prove that the trademark was recognized outside India. The Court inferred that a substantial segment of smokers would be likely to proceed because the use of an identical or substantially similar mark in relation to other goods indicates a trade connection. When viewed cumulatively, these factors lead to the inference that the trademark "Red and White" of the appellant was well-known in 1995 when the first Khoday India Ltd. applied for registration.

Thus, the Court said that the Registrar should have examined the pleading and evidence and determined whether Godfrey Phillips's mark is well-known for purposes of deciding the objections under Section 11(2) of the Trademarks Act.

The Court noted that Khoday India Ltd. applied for registration on a 'proposed to be used' basis in 1995 but did not use the trademark "Red & White" in relation to alcoholic beverages over the extended period from 1995 to 2012 when the opposition was rejected. Even thereafter, Khoday

India Ltd. did not use the registered trademark “Khoday's Red and White” from 2012 till date. Meanwhile, Godfrey Phillips has continuously used the trademark "Red & White" since 1940.

The Court said that when an application is made on a 'proposed to be used' basis, such application is considered on the basis that the mark would be applied within a reasonable time to the relevant goods or services because the use of a mark is the paramount consideration under the law. Further, the non-use of the mark from 1995, after applying for registration on a 'proposed to be used' basis, would justify the exercise of suo motu power under Section 57(4) read with sub-sections (1) and (2) thereof.

Moreover, the Court said under sub-section 2 of Section 11, once it is concluded that the earlier trademark is a well-known trademark, the registration of an identical or similar trademark is not permitted if the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or reputation of the earlier trademark. In conclusion, the Court said that Godfrey Phillips's trademark is well-known, and non-use by Khoday India Ltd. strengthens the case of Godfrey Phillips. Thus, if Khoday India Ltd. is permitted to use the mark at this juncture, it would certainly be detrimental to the distinctive character of Godfrey Phillips's trademark.

For reasons set out above, the Court set aside the impugned order. Consequently, the Registrar of Trademarks is directed to cancel the certificate of registration granted in favour of Khoday India Ltd. for the trademark 'Khoday's Red and White' and rectify the register by removing the entry relating to Trademark No.668242 from the Register of Trademarks.

143. Court Orders Removal of 'MAHLE' Trademark for Non-Use and Rectification of Registered Trademark

Case: Mahle Gmbh vs Parag Kirnkumar Tatariya [C/SCA/11855/2021]

Forum: High Court of Delhi

Order Dated: November 9, 2023

Issue: Whether the applicant MAHLE Group is able to get removal of the 'the impugned Mark' registered under the Trade Mark Act by the Respondent bearing registration no. 2897507?

Order: This Writ- petition was filed by the applicant 'MAHLE Group' seeking to challenge the registration of mark bearing Registration No.2897507 (hereinafter referred to as 'the impugned Mark' for short) in respect of 'Lubricants Oil and Grease included in Class-04' on the Register of Trademark.

The writ-applicant herein was founded over a century ago, when Hermann Mahle joined Versuchsbau Hellmuth Hirth as Commercial Manager, marking the start of the current 'MAHLE Group'.

In the year 1922, Hermann Mahle's brother Ernst Mahle joined Leichmetall-Werke, G.m.b.H., Stuttgart-Cannstatt, the successor-in-interest company to Versuchsbau Hellmuth Hirth as a developer and head of production. The company was renamed Elektronmetall Gmbh, Stuttgart Cannstatt (EC) in the year 1924, and the brothers Hermann Mahle and Ernst undefined Mahle were appointed as Commercial Director and Technical Directors in the year 1926 and 1927, respectively. In a few years, the company became one of the major German piston manufacturers, and both the brothers became Managing Directors and eventually sole owners. The company Elektronmetall GmbH was renamed MAHLE KG in 1938, and the writ-applicant herein has grown into an international development partner and supplier to the automotive industry.

The writ-applicant herein has been using the mark/name MAHLE upon and in relation to its products/services/business at least since the year 1938. The trade/service mark name MAHLE derives its origin from the surname of the Hermann Mahle and Ernst Mahle brothers. The trade/service mark MAHLE

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also forms an essential part of the writ-applicant's corporate name and is its housemark.

The writ-applicant's products under the mark/name MAHLE were made available in India from 1950 to 1960. The writ- applicant's registration for the mark MAHLE under No.201696 in Class-7 is secured in India on 7.4.1961. The writ-applicant's business expansion in India continued, and it entered into joint ventures with MWP Migma Ltd. (now MAHLE Engine Components India Private Limited) and Kirloskar Knecht Filters Private Ltd in 1997. The writ-applicant's dominance and growth in India continued, and Mahle Filtersysteme Gmbh acquired majority stakes in Purolator India Limited. Subsequently, in 2008, Purolator India Limited was renamed Mahle Filter Systems (India) Limited (now Mahle Anand Filter Systems Private Limited) in 2005-2006.

In the year 2013, the writ-applicant herein acquired all shares in the Indian piston joint venture MAHLE IPL Limited (now MAHLE Engine Components India Private Limited). On 1.2.2015, the Respondent filed a trademark application in Class-4 under No.2897507 for registration of the impugned mark. On 18.4.2016, the impugned mark was advertised in the Trade Marks Journal No.1741 on page 335.

Though the Respondent has obtained registration for the impugned mark, the writ-applicant's enquiries revealed that the Respondent is not using the impugned mark but has, in fact, employed the use of the writ-applicant's significantly prior, registered and well-known trade mark 'MAHLE' in respect of its products. The fact that the Respondent obtained registration of the impugned mark is, in fact, using the writ-applicant's significantly prior, registered and well-known trade mark 'MAHLE'. Consequently, the said action, according to the writ-applicant herein, is mala fide.

The registration obtained by the Respondent is fraudulent and contrary to the principles of business ethics and honest trade practices. The application having been made in bad faith, the subsequent registration thereof is void ab initio.

The writ-applicant submitted that the writ-applicant's trade mark/service mark/name MAHLE has been put to extensive and uninterrupted use for more than 80 years and the same has resulted in having acquired a secondary unit.

The writ-applicant herein is aggrieved by the registration of the impugned mark in the name of the Registered Proprietor in view of the fact that the writ-applicant herein is significantly prior in its bona fide adoption and use of the trade mark 'MAHLE' the world over, including in India.

Respondent No. 1 submitted that they had been using the trade mark/label MAHLE since 01.02.2015 for the goods falling in class-04. It was submitted that, admittedly, the writ-applicant has not even commenced its use, at least in India, till February 2021, for the goods falling in class 04. Hence, there will be even no remote chance of confusion and deception amongst the public, purchasing public and trade channels. It was further submitted that the rival marks are phonetically, visually and structurally different and distinct from each other, and there would be no chance of creation of likelihood of confusion and/or deception in the minds of the general public, purchasing public and trade channel.

It was submitted that the writ-applicant herein to claim for the removal of the trademark of respondent No.1 under the present rectification proceedings; a duty is cast upon the writ-applicant herein to prove that they are an aggrieved party and substantial loss is caused to them coupled with the aspect of harm and injury so as to be able to make an averment that, based on such substantial loss, harm and injury, the writ- applicant have suffered and that based on the same have filed the rectification application.

The Court noted that the mark MAHLE, which is registered by the Respondent, is clearly a mark which is identical in all respects to the writ-applicant herein. The writ-applicant herein not only adopted the mark since the year 1938 but has also used the mark in India by sourcing its products from India.

The Court further noted that the trade/service mark name derives its origin from the surname of the Hermann Mahle and Ernst Mahle brothers, and the writ-applicant herein has been using the mark/name MAHLE upon and in relation to its products/services/business at least since the year 1938. The trade/service mark MAHLE also forms an essential part of the writ-applicant's corporate name and is its housemark. Having applied for the registration of the said mark 'MAHLE' in class- 04 and the same having been objected, the mark 'MAHLE' having been used by the Respondent, the writ-applicant falls under the definition 'person aggrieved'. The aforesaid clearly shows that the applicant is not the true proprietor of the impugned mark under section 18(1) of the Act.

The writ-applicant has been using the mark for decades, and with long and continuous use, the writ-applicant's mark has acquired well-knownness under section 11(6) of the Act. Though the Respondent is a registered proprietor who has not used the mark for more than 05 years, the same is required to be removed from the register.

144. Ex Parte Injunction to Yonex Co. Ltd. for Unauthorised Use of 'COURT ACE' Mark

Case: Yonex Co Ltd & Anr. vs Sunlight Sports Pvt Ltd [CS(COMM) 806/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether the use of "COURT ACE" by the Defendant, especially in a manner which is identical to the COURT ACE device mark of the plaintiffs, amounts to infringement?

Order: This suit was filed by the plaintiffs Yonex Co. Ltd. and Anr. against the Defendant Sunlight Sports Pvt Ltd. seeking a decree of permanent injunction restraining the Defendant from using the mark COURT ACE or any other mark which is identical or deceptively similar to the said mark in respect of the sports shoes, any other sports apparel or any other allied or cognate goods or services.

Plaintiff 1, Yonex Co. Ltd., is a Japanese company, and Plaintiff 2, which is based in Singapore and is a subsidiary of Plaintiff 1, is the sole distributor of Plaintiff 1 in India. On 30 August 2016, Plaintiff 2 applied for registration of the device mark COURT ACE on a proposed to be used basis. The mark was registered on 7 March 2018, with effect from the date of application for registration, i.e. 30 August 2016.

The Plaintiff averred that the mark COURT ACE is used for shoes which are designed to be worn by professional badminton players to secure a firm grip on the playing turf.

The Plaintiff claimed to have come to learn of the use, by the Defendant, of the mark COURT ACE, printed in a format which is identical to the format used by the plaintiffs. Additionally, "COURT ACE" has also been printed on the inner lining of the shoes. Plaintiff presented the photographs of the shoes, which clearly show the infringing way the mark COURT ACE has been used by Defendant. The photographs are shown below:


The Court noted that a prima face case of infringement and passing off is made out on the basis of the averments of the Plaintiff. Hence, the Court applied the principles of cases Laxmikant V. Patel v. Chetanbhai Shah and Midas Hygiene Industries (P) Ltd v. Sudhir Bhatia, where the Court observed that counterfeiting is an economic crime and must be dealt with seriously. The Court further noted that the balance of convenience would also be in favour of the grant of ex parte injunction, as, were the injunction not to be granted, further counterfeit products would be released in the market, which would result in irreparable injury to the plaintiffs and further dilute its brand value.

Thus, the Court restrained Defendant, as well as all others acting on its behalf, from using the mark "COURT ACE" with respect to sports shoes, sports apparel, or any other allied or cognate goods.

145. Legal Discourse on Trademark Rights on 'SHAKTI BHOG' Mark Amid Corporate Insolvency Proceedings

Case: Shakti Bhog Foods Ltd & Anr. vs Kumar Food Industries Ltd & Ors. [CS(COMM) 244/2023, CC(COMM) 15/2023, 7878/2023 & 12095/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether the 'SHAKTI BHOG' trademark rightfully belonged to Shakti Bhog Foods Ltd. (SBFL), or if Defendant No.1's claim of ownership based on the 2017 assignment deed was valid?

Order: This suit was filed by Plaintiff No.1 - Shakti Bhog Foods Ltd. (hereinafter, 'SBFL'), who is currently undergoing a Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (hereinafter, 'IBC, 2016'). The Plaintiffs seek permanent injunction restraining infringement, passing off, damages, etc., qua the trademark 'SHAKTI BHOG' of SBFL. Defendant No.1 has also filed a counterclaim claiming ownership in the mark 'SHAKTI BHOG'.

The list of defendants in the case is as follows:

Defendants	Name and Address
Defendant No.1	**Kumar Food Industries Limited** (71/1, Siraspur, Delhi – 110042)
Defendant No.2	**Prince Food Tech Pvt. Ltd.** (Plot No. 3, Industrial Area, Phase-2, Panchkula, Haryana – 134113)
Defendant No.3	**Farmersfield Agro & Flour Mill Pvt. Ltd.** (Near Apex College, Gorgarh, Indri, Distt. Karnal, Haryana -132041)
Defendant No.4	**ABH Foods** (E-9 Cite C, UPSIDC, Surajpur Industrial Area, Greater Noida, Uttar Pradesh- 201306)
Defendant No.5	**Deepak Agro Industries** (Village Kalaghat, P.O. Kotla- Panjole, Tehsil Pachhad, District Sirmour, Himachal Pradesh – 173223)
Defendant No.6	**Shree Vaishno Flour Mills** (Phase - 2, Lane No. 04, SIDCO Complex, Bari Brahmana, District – Samba, Jammu – 181133)
Defendant No.7	**Dangayach Products** (G-54, RICCO Industries Area, Bassi, Jaipur, Rajasthan – 303301)
Defendant No.8	**Shree Bhagwati Agrotech Pvt. Ltd.** (Venchijote, PO New Champta, PS Matigara, Dist. Darjeeling, West Bengal – 734009)
Defendant No.9	**Shakti Flour Mill** (249, Manvendra Nagar, Behind Nayati Hospital, NH2, Mathura, Uttar Pradesh -281004)
Defendant No.10	**Mr. Kewal Krishan Kumar** (24, Laghu IJdyog Nagar, [S.S.I.), G.T.Karnal Road, Delhi - 33, India.)

It is submitted that Defendant No.10 - Mr. Kewal Krishan Kumar, had established a business under the mark 'SHAKTI BHOG' for his proprietary concern in 1975. Sometime in the early 1990s, SBFL and Defendant No.1 - Kumar Food Industries Limited were incorporated by Defendant No.10. However, in 2017, Defendant No.10 resigned from Defendant No.1 company. Currently, Defendant No.1 is run by his son, as well as other directors.

The Plaintiffs are aggrieved by the continued use of the mark 'SHAKTI BHOG', label and packaging by Defendant No.1 and its contract manufacturers, i.e., Defendant Nos. 2 to 9, despite SBFL being in insolvency proceedings.

The Plaintiffs submitted that a winding up petition being Co.Pet.No. 987/2015 titled CFSIT. INC v. Shakti Bhog Foods Limited was initially filed against SBFL in December 2015. The winding-up petition was admitted by this Court on 18 January 2018. Thereafter, CP(IB)-24(PB)/2018 came to be filed before the NCLT by another creditor, leading to the order dated 22 September 2023, according to ld. Senior Counsel, the committee of creditors is currently considering various options for how to restore SBFL's business, and since the mark 'SHAKTI BHOG' belongs to SBFL but is illegally being claimed to be under the ownership of Defendant No.1, the present suit has been instituted.

Plaintiff further submitted that the genesis of the claim of ownership of Defendant No.1 is an assignment deed dated 30th December 2017, which has been placed on record. As per the said assignment deed, SBPL assigned the trademark 'SHAKTI BHOG' to Defendant No.1 for a total consideration of Rs.14.10 crores. Out of the said amount, Rs.13.50 crores are claimed to have been paid to SBFL. The remaining Rs.60 lakhs are to be paid at the time of foreign registration certificates being handed over to Defendant No.1. It is submitted that the mark does not belong to Defendant No.1. An illegal claim is being made in respect to the mark 'SHAKTI BHOG', which belongs to the Plaintiffs.

The Court observed that there are a large number of trademarks which are registered in favour of Plaintiff No.1. There is no record of an assignment deed as of date in favour of Defendant No.1. Moreover, the assignment deed was filed by Defendant No.1 has not even been stamped.

As the insolvency proceedings are underway, in order to ensure that no prejudice is caused to either party, The Court provided the following directions to the parties:

(i) That there would be no impediment in the committee of creditors considering the mark 'SHAKTI BHOG' as an asset of the Plaintiff and valuing the same.

(ii) However, it is made clear that there shall be no final order in respect of the mark 'SHAKTI BHOG'. The valuation so made by the CoC shall be subject to further hearings and orders in this interim injunction application.

(iii) Defendant No.1, who claims to be the assignee of the mark 'SHAKTI BHOG', shall not transfer any right, title or interest in the mark until the hearing in the application is concluded and orders are passed by this Court.

(iv) All the Defendants shall also ensure that no further licenses or permissions are granted for the manufacture of 'SHAKTI BHOG' branded food products by any third party except the Defendants arrayed in the present suit.

(v) The CGPDTM shall not entertain any request for records of the assignment deed or license of the 'SHAKTI BHOG' mark by anyone without orders of this Court.

As per the submission of the defendants, there are other contract manufacturers apart from those who are pleaded herein who have been issued licenses to the manufacturers of food products under the mark 'SHAKTI BHOG'. If so, he is permitted to move an application in this regard. The Court held that the report by the Department of Food Safety, GNCTD, shows that the conditions at the premises of Defendant No.1 are deplorable. Let the said document be filed on record. The case shall be heard next on 16th January 2024.

146. Delhi High Court restrains Kerala-Based Furniture Outlet from Employing the ‘IKEA’ Mark

Case: Inter IKEA Systems BV vs IKEA Luxury Furniture [CS(COMM) 821/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether Plaintiff Inter IKEA Systems BV will get an injunction against Defendant IKEA Luxury Furniture for the use of its registered trademark ‘IKEA’?

Order: This case was filed by the Plaintiff- Inter IKEA Systems BV seeking protection of the mark 'IKEA'. The Plaintiff is headquartered in the Netherlands and is involved in the manufacture and sale of home furnishing products, accessories, bathroom and kitchen fittings, outdoor flooring, furnishing, Home and office furnishing products, etc., under the trademark 'IKEA'. The Plaintiff is a part of the IKEA group of companies, which has two Indian companies called 'IKEA India Pvt. Ltd.' and 'IKEA Services India Pvt. Ltd.' which has been operating in India for over 10 years now.

The Plaintiff's case is that the mark 'IKEA' has been used by it since 1943 globally and since 2008 in India. The goods and services of the Plaintiff are promoted through the domain name www.ikea.com, as well as its India-specific domain name www.ikea.in. The Plaintiff claims that the mark 'IKEA' was coined in 1943 from the initial letters of the founder's surname. The Plaintiff initially started selling various traditional household items and stationery items. However, over the years, it has expanded and opened stores in Sweden, Norway and Denmark. In the 1970s, it expanded into various other cities in Europe. Plaintiff opened further stores in the U.S., Canada, Belgium, etc., in the 1980s.

IKEA Group has franchises across the world, including in Egypt, Qatar, UAE, Kuwait, Morocco, Jordan, Bahrain, Saudi Arabia, China (Hong Kong), Indonesia, Taiwan, Bulgaria, Cyprus, Greece, Malaysia, Singapore, etc. The mark 'IKEA' is used both as a word mark and in the logo form by the Plaintiff in the following manner:

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The Plaintiff claimed that the mark 'IKEA' is a unique word over which it has statutory and common law rights. As per the plaint, the mark 'IKEA' is registered in over 85 countries and is also registered in India in a number of classes, including classes 6, 20, 21, and 28.

The Plaintiff's grievance is that the Defendant, IKEA Luxury Furniture, is using the mark and name 'IKEA LUXURY FURNITURE' on Calicut Road, Thrissur, Kerala. The images of the shop, as placed on record by the Plaintiff, are set out below:

The Defendant is also using the mark 'IKEA' with respect to various furniture items, as well as on the inside hoardings in the shop, on the boxes of products, etc.

Plaintiff addressed a legal notice dated 24th July 2023 calling upon Defendant to restrain from using the mark 'IKEA'. In a reply dated 10th August 2023, the Defendant deliberately denied using the said mark. Plaintiff submitted that after the notice exchange, Defendant modified the outer hoarding of its shop to 'KEA Luxury Furniture'. However, inside the shop, Defendant continues to use the name/mark 'IKEA' with respect to its furniture.

The Court noted that t the mark/name 'IKEA' is an extremely well-known mark. The mark belongs to the Plaintiff, which is a Swedish company. It is clear that the Plaintiff's 'IKEA' mark and name deserve to be protected.

The Court also observed that the Defendant is using the mark for identical goods and products range and targets the same consumer segment; as per the triple identity test, the present is a fit case for the grant of an ex-parte ad

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interim injunction. Balance of convenience lies in favour of Plaintiff, and irreparable harm would be caused to Plaintiff if Defendant is not restrained.

The Court restrained Defendant from using the mark/name 'IKEA' or any other mark or name which is deceptively similar to Plaintiff's mark 'IKEA', either as a trademark or trade name on hoarding of store/shops, including stationery, banners, handbills, promotional materials etc.

The Court also stated that Plaintiff is free to write to JustDial to take down the page of Defendant with the name 'IKEA Luxury Furniture'.

147. Attempt to Fabricate Judicial Order Highlights the Need for a Public Repository of IPAB Orders

Case: Delhi High Court in Court, on its Own Motion vs Vicky Aggarwal and Ors. [CONT.CAS. (CRL) 7/2022]

Forum: Delhi High Court

Order Dated: November 16, 2023

Issue: *Whether* order purported to be by the Intellectual Property Appellate Board (IPAB) to defend an interim injunction against the use of the mark "TOWER" was valid?

Order: In an intellectual property dispute, a party chose to rely on an order purported to be by the Intellectual Property Appellate Board (IPAB) to defend an interim injunction against the use of the mark "TOWER". It alleged that the said IPAB order was imminent to the suit proceedings and that the plaintiff was actively concealing the material facts about proceedings that took place before IPAB and, thus, is not entitled to an injunction. Although the order was believed to be authentic by the party relying upon it, it is rather interesting to note that ever since the abolition of IPAB post Tribunal Reforms Act, 2021, the website of IPAB was scrapped without providing any backup or access for the general public.

This controversy came to light when, in a recent order dated November 16, 2023, the Hon'ble Division Bench of the Delhi High Court in Court, on its Own Motion vs Vicky Aggarwal and Ors (2023 SCC OnLine Del 7310), directed the Bar Council of Delhi to take appropriate action against an advocate if it is found that he is guilty of manufacturing the order dated March 2, 2016 (hereinafter referred to as "the IPAB order") purported to be by Intellectual Property Appellate Board (IPAB).

This order emanates from an order dated December 14, 2022, passed in Ab Mauri India Private Limited vs Vicky Aggarwal & Ors. (CS(Comm.) 810/2022) wherein Hon'ble Single Judge of Delhi High Court had initiated a criminal contempt proceeding against the Defendants for filing the IPAB order as part of compilation. The underlying proceedings related to a trademark infringement suit wherein permanent injunction was sought against the defendants (contemnors) from directly or indirectly securing registration or using the mark “TOWER” in any manner.

In the suit proceedings, when the Defendants vehemently argued that the IPAB order was material to the suit, the plaintiff questioned the veracity of the IPAB order and brought to the notice of the Learned Single Judge that no such order exists. The plaintiff submitted that it was neither privy to any such IPAB proceedings nor had any knowledge thereof. Therefore, the question of their participation in the proceedings, leading to the IPAB order, does not arise. It was contended that this was a serious matter as no party can be allowed to file fabricated and forged documents in Court, and the matter requires investigation.

The Hon’ble Single Judge then took suo moto cognizance and, vide order dated November 24, 2022, directed the Registrar (Vigilance) along with the Registrar (Original Side) to conduct an inquiry into the matter about the authenticity of the IPAB order and file a report in a sealed cover. The contents of the report confirmed that no records of the IPAB Order were available. The report revealed that Order No. 5124/245 of 2016, alleged to have been passed in ORA/2903/16/TM/DEL, is not a genuine/authentic order. Thus, on perusal of the report, the Hon’ble Single Judge, exercising its powers under Section 18 of the Contempt of Courts Act, 1971, initiated criminal contempt proceedings and placed the matter before the Chief Justice for reference to the appropriate Division Bench.

The contemnors tendered an unconditional apology to the Hon'ble Division Bench, stating that the contempt was neither deliberate nor intentional. The contemnors explained that they had been engaging the services of their advocate since 2008, and in 2015, they were informed by the advocate that a petition had been filed before the IPAB. They further submitted that over the course of time, against the 2015 matter, they had been making payments to the said advocate. Eventually, in April 2016, the advocate handed them the IPAB order dated March 02, 2016, purported to be passed by the IPAB.

They further apprised the Hon’ble Court that they had complained against their advocate before the Bar Council of Delhi after becoming aware that the IPAB order was fake. After hearing the submissions and the apology tendered on behalf of the contemnors, the Hon’ble Division Bench of Delhi High Court discharged them from these proceedings. It directed the Bar

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Council of Delhi to take appropriate action, as per the law, against the said advocate for manufacturing the document placed on record to support his case.

Another glaring observation of the Hon'ble Court in this matter was that even though, owing to their association with the advocate since the year 2008, the defendants/contemnor could not fathom or suspect the advocate to be capable of such misdeed, cross-checking of the veracity of the order would have been prudent. It points to a gap in the system because there is no digital public repository after the abolition of IPAB, and the website has become dysfunctional.

Thus, for a common man engaging the services of a legal professional with no access to the IPAB's previous orders available on an official website, the road ahead seems difficult even though it is the rule of law that a party cannot be held responsible for errors committed by their counsels. With this order, the need for access to digitised records of judicial orders passed by various authorities, courts, and tribunals, including IPAB, even after their abolition, has become all the more necessary. This goes to the roots of the justice delivery system, as one cannot be allowed to obstruct or cause a miscarriage of justice by manufacturing judicial orders or fabricating evidence.

148. AZIWOK vs. AZIWAKE: Court Applies Pianotist Test to Resolve Infringement Case

Case: Dr Reddys Laboratories Limited vs Smart Laboratories Pvt Ltd [CS(COMM) 744/2023]

Forum: High Court of Delhi

Order Dated: November 16, 2023

Issue: Whether the use of the mark 'AZIWAKE' by the Defendant infringes on the mark 'AZIWOK' of the Plaintiff?

Order: This case was filed by the Plaintiff, Dr. Reddys Laboratories Ltd., under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC), seeking interlocutory injunctive reliefs against the Defendant Smart Laboratories Pvt Ltd. For the use of mark AZIWAKE, which is deceptively similar to Dr Reddy Laboratories' 'AZIWOK'.

The Plaintiff submitted that the trademark AZIWOK was registered under Section 23 of the Trademarks Act 1999, in favour of Wockhardt Ltd in Class 5, covering "medicinal, pharmaceutical and veterinary preparations and sanitary substances" with effect from 30 December 1994. The registration is valid and subsisting as of date. Wockhardt assigned the registration of the mark AZIWOK in favour of the Plaintiff via the Assignment Deed dated 9 June 2020, along with goodwill earned by the mark. The Plaintiff applied to the Registry of Trademarks on 7 September 2020 for substitution of the Plaintiff's name in place of Wockhardt as the proprietor of the trademark AZIWOK.

The Plaintiff asserted that the brand name AZIWOK has been in use by Wockhardt since 1994 when it was registered. Cumulative sales figures for AZIWOK have been provided for the financial years 2020- 21, 2021-22, and 2022-23. Sales of AZIWOK have earned, for the plaintiff, ₹ 14,27,15,095/- in the 2020-2021, ₹ 21,62,34,124/- in 2021- 2022 and ₹ 18,05,33,887/- in 2022-2023.

Plaintiff stated that, sometime in the third week of August 2023, Plaintiff came to learn of the use of the mark AZIWAKE by Defendant, also for azithromycin formulations. Plaintiff, thereafter, undertook a search on the

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Registry of the Trademarks database, which revealed that Defendant had applied for registration of the mark AZIWAKE on a proposed-to-be-used basis on 14 April 2022. A comparison of both marks is given below:

Defendant's Trade Dress	Plaintiff's Trade Dress
	

The Plaintiff argued that the structural and phonetic similarity poses a risk of confusion as both marks are used for azithromycin; there is every chance of likelihood of association between the two marks in the mind of a consumer of average intelligence and imperfect recollection.

The Defendant justified "AZIWAKE" as a fanciful term denoting the awakening of the body's ability to fight bacteria.

The court applied the Pianotist test, which requires the Court to consider the following:

(i) the look and the sound of the competing words,
(ii) the goods to which they are applied,
(iii) the nature and kind of customer who would be likely to buy those goods, and
(iv) What is likely to happen if each of the marks is used in the normal way as a trademark for the goods of their respective owners?

The court observed that there is no real distinction between the "look" and "sound", especially as the Plaintiff holds a word mark registration for the word "AZIWOK". Though it is obvious that AZIWAKE is phonetically similar to AZIWOK, as they sound deceptively similar to the ear, one may, if it is necessary to pare the issue to its essentials, explain why the two words are phonetically similar.

(i) Each word consists of three syllables.
(ii) Of the three syllables, the first and second syllables in each word are the same: “a” and “zi”.

(iii) The third syllable, which, therefore, would be determinative in examining phonetic similarity, is "wok" in one case and "wake" in the other.

(iv) The third syllable in each case has, therefore, three distinct sounds, with an initial and the terminal consonant sound and an intervening vowel sound.

(v) The initial and terminal consonant sounds are the same in both words, namely "w" and "k".

(vi) To the ear of the consumer of average intelligence and imperfect recollection, it is, therefore, clear that the words “AZIWOK” and “AZIWAKE” are phonetically deceptively similar.

The court observed that both the marks are used for the same pharmaceutical preparation, namely, azithromycin. Insofar as the consumers who would be dealing with the marks are concerned, the pharmaceutical preparations in question would initially be prescribed by doctors and, thereafter, dispensed by dispensing chemists and purchased by the consumer/patient. It would be unrealistic to expect that every doctor would be aware of the distinction between AZIWOK and AZIWAKE, especially when both marks are used in regard to azithromycin.

Subsequently, the court held that the Defendant, as well as all others acting on its behalf, should stand restrained, pending disposal of the suit, from using the mark AZIWAKE, with or without any prefixes or suffixes, in respect of pharmaceutical preparations, or for any other allied of cognate goods or services.

However, the court did not pass any injunction in respect to batches of AZIWAKE (with or without any suffixes) that are already circulating in the market or that are manufactured and available in stock with the Defendant. Insofar as existing stock, which is yet to expire, is concerned, Defendant may sell the stock in the market after. However, a priori filing an affidavit before this Court within 5 days, providing the batch numbers and dates of expiry of the said stock. Copies of the invoices whereunder the said stock is sold shall also, consequent on their sale, be placed on affidavit by the Defendant in the present proceedings.

149. Delhi High Court Sets Aside Rejection of Device Mark 'BHARAT' in Trademark Application Appeal

Case: Muneer Ahmad vs The Registrar of Trademarks [C.A.(COMM.IPD-TM) 20/2023]

Forum: High Court of Delhi

Order Dated: November 17, 2023

Issue: Whether the impugned order was valid in rejecting the registration of the device mark of the Plaintiff?

Order: The Plaintiff filed this appeal, Muneer Ahmad, appeal under Section 91 of the Trademarks Act, 1999, against an impugned order dated 12 May 2023, passed by the Senior Examiner of Trademarks, rejecting Application No. 4136359, filed by the appellant seeking registration of the device mark in Class 16 for "Painting Brushes, Artistic Brushes, Roller Brushes".

The Plaintiff submitted that several registrations were granted to the word BHARAT. Therefore, it cannot be contended that the word BHARAT is publici juris or devoid of any distinctive character and, therefore, ineligible for registration under Section 9(1)(a) or 9(1)(b) of the Trademarks Act for lacking in distinctiveness.

The Plaintiff further submitted that the mark he sought for registration is not a word mark but a device mark . It is well settled that, whether considering the eligibility of a mark for registration or examining the mark in the context of a claim of infringement or passing off, the mark must be seen as a whole. It cannot be vivisected into its parts. So, for Section 9(1)(a) to apply, the learned Senior Examiner would have had to hold that the device mark , seen as a whole, was lacking in distinctive character.

The Court noted that there is no reference, in the impugned order, to any other device mark that is similar to the device mark of which the appellant sought registration. The lack of distinctive character, as per Section 9(1)(a), renders the mark incapable of distinguishing the goods or services of the applicant who seeks its registration from those of others.

The Court noted that such cases could fall into two categories. There may be marks that need to be more distinctive as to ipso facto being incapable of being used to distinguish the goods or services concerning which they are used. One may readily envisage, in this category, commonly used words, such as “and”, “the”, “it”, or the like. The second category of marks that are “lacking in distinctiveness” would be those that are so commonly found or used in connection with goods or services as incapable of acting as source identifiers. For that, there must be a specific reference, in the order of the Registrar, identifying the mark which is thus “common to the trade”. The Court observed that the impugned order does not refer to any such mark.

The Court further noted that the device marks for which the appellant sought registration, seen as a whole, cannot be said to be descriptive merely because a paintbrush is part of the mark. When the brush is seen in conjunction with the word BHARAT, written in a distinctive style, and with the zig-zag swirl on the left upper edge of the mark, the mark cannot, seen as a whole, be said to be descriptive of the product in respect of which its registration was sought. The word “BHARAT” constitutes the most prominent feature of the mark and cannot, by any stretch of the imagination, be regarded as descriptive of the goods in respect to which the mark is used.

Thus, the Court opined that the registration of the device mark  could not have been refused either under Section 9(1)(a) or under Section 9(1)(b) of the Trademarks Act and set aside the impugned order.

150. Delhi High Court Grants Puma a Swift Relief Against Trademark Infringement

Case: Puma SE vs Brijendra Singh Trading as Sastajoota [CS(COMM) 48/2022 & I.A. 1081/2022]

Forum: High Court of Delhi

Order Dated: November 18, 2023

Issue: Whether the Defendant was involved in the production and sale of counterfeit PUMA products?

Order: The Plaintiff is a German-based company that produces athletic shoes and clothing under the brand "PUMA" with a leaping PUMA mark . In addition, the Plaintiff also makes use of a unique Form strip logo , which is well associated with his brand name.

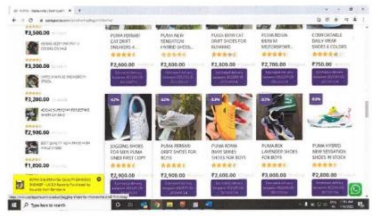
It was claimed that the "PUMA" mark originated in 1948, and The Trademarks Registry recognized the Plaintiff's Trademark as a well-known mark in India in 2020.

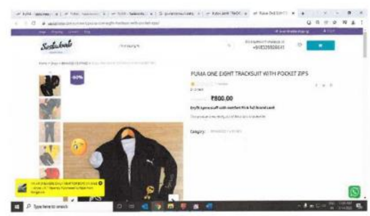
Defendant 1, Brijendra Singh Trading as Sastajoota, was involved in the production and sale of counterfeit PUMA products. These goods featured the Plaintiff's PUMA and Form strip logos and were sold via its revealingly named website, www.sastajoota.com.

In January 2022, PUMA initiated a legal action against Sastajoota, claiming that the Defendant was using its website to sell counterfeit PUMA shoes and apparel. PUMA asserted that the use of their Trademarks, including the PUMA word mark, logo with a leaping PUMA and the strip logo , constituted Trademark infringement.

Plaintiff additionally submitted evidence such as screenshots of other websites where Defendant 1's merchandise was offered for sale, together with images of said merchandise, demonstrating that the defendants were engaged in the sale of fraudulent replica "PUMA" athletic apparel and footwear.

A similar case for infringement of registered trademark has also been filed against No. 1 in the case New Balance Athletics Inc. vs Brijendra Singh Trading as SASTAJOOTA.COM. The case is pending for disposal before the High Court of Delhi, but the Defendant remains absent from the proceedings of the said case as well.





Despite multiple services and extending numerous opportunities to Defendant, he did not enter an appearance either personally or through counsel, resulting in the Court accepting the averments made by Plaintiff following the doctrine of non-traverse.

The court also observed that Defendant No. 1 has employed trademarks that are indistinguishable from Plaintiff's registered trademarks on products identical to those on which Plaintiff applies its marks. Moreover, Defendant 1 is selling these goods to the exact consumer base targeted by Plaintiff, using the same distribution channels. Therefore, the current case meets the threshold of the triple identity test, which requires the alignment of marks, goods, and consumers, along with the availability of the goods through identical sources and outlets.

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Taking into account the Plaintiff's established reputation and significant investment in brand promotion and advertising, the court emphasized, drawing from the precedent set by the Delhi High Court in *Jawed Ansari v. Louis Vuitton Malletier & Ors* that counterfeiting constitutes a serious economic offence causing harm to brand value and misleading consumers. Consequently, the court stressed the need for stringent measures in dealing with such cases, leaving no room for leniency.

The combined impact of Order VIII Rule 3, along with Rules 4 and 5 of the Code, is that the Defendant is obligated to address each factual allegation that is not admitted. The Defendant must either provide a clear denial or expressly state that the substance of each allegation is not admitted. Specifically, the crucial allegations that constitute the basis of the lawsuit must be explicitly denied. Any facts not expressly addressed in this manner will be presumed as admitted under Order VIII Rule 5 of the Code.

The Court decided in favour of the Plaintiff and held that Defendant No. 1's use of 'PUMA was likely to deceive consumers and constituted trademark infringement. Accordingly, Defendant 1, as well as all others acting on its behalf, were permanently injuncted from dealing, in any manner, including by way of purchase and sale, whether physically or online, of any products, including footwear, sportswear, apparel or accessories thereof, under the marks PUMA, and Form strip logo or any other identical or deceptively similar marks or logos. The court also awarded a decree to the tune of actual costs incurred by the Plaintiff in pursuing the litigation.

151. Madras High Court Grants Permanent Injunction Against Hospital for the Usage of 'New Appolo Hospital' Mark

Case: Apollo Hospitals Enterprises Ltd. vs New Apollo Hospital [C.S. (Comm.Div.) No.55 of 2023]

Forum: High Court of Madras

Order Dated: November 20, 2023

Issue: Whether the use of the word "New Appollo Hospitals" by the Defendant would amount to infringing the trademark of the Plaintiff?

Order: The Plaintiff owns and operates the world-famous Apollo Hospitals Group of Medical Establishments ranging from hospitals, clinics, diagnostic centres, telemedicine facilities, pharmacies, etc, with various speciality facilities such as for cancer treatment, dentistry, child and paediatrics, cardiovascular, transplants, etc. The Plaintiff is a pioneer in the field of treatment of various ailments. It is submitted that the Plaintiff company was established by Dr. Prathap C. Reddy and Padma Vibhushan (2010) on 05.12.1979. Dr. Reddy was an established doctor with a flourishing practice in Boston, USA, but left all that behind and returned to India in 1971 to establish a socially motivated medical practice.

The Plaintiff adopted the unique trademarks "Apollo, "Apollo Hospital', "Apollo Diagnostic' and 'Apollo Clinic' to be used as trademarks with respect to all its hospitals and other medical undertakings. Prior to the Plaintiff, no other person had adopted the said "Apollo', "Apollo Hospital', 'Apollo Clinic", or "Apollo Diagnostic' trademarks in the field of pharma, healthcare and medical services and products. The Plaintiff also has other registered marks associated with the aforesaid trademarks incorporating "Apollo' / "Apollo Hospitals and its brands and logos. To date, there has been no objection nor limitation placed on Plaintiff's registered trademarks. The trademarks are valid and subsisting in favour of Plaintiff as of date.

Plaintiff came to know in the month of July 2022 that Defendant had blatantly adopted a deceptively similar mark by the name 'New Appolo Hospital' for its hospital business. Plaintiff has, therefore, sent a cease-and-desist notice dated 21.07.2022 calling upon Defendant not to use the mark

'New Appolo Hospital' as it would amount to infringement and passing off. Since the Defendant, in its reply dated 13.09.2022 to the cease-and-desist notice dated 21.07.2022, refused to accept its guilt and stop using the offending trademark, the Plaintiff was constrained to file this suit seeking the reliefs as prayed for in the plaint.

After considering the documentary evidence placed on record by the Plaintiff proving proprietary right over the trademark 'Apollo' and its variants, the court has decided in favour of the Plaintiff by declaring that the Plaintiff has a proprietary right to the trademarks 'Apollo', 'Apollo Hospitals', 'Apollo Clinic' and 'Apollo Diagnostic' and its variants.

The court observed that the trademark 'Apollo' has satisfied all the tests required for granting recognition as a well-known mark. The exhibits marked on the side of the Plaintiff make it clear that in respect of the healthcare industry, their trademark 'Apollo' and its variants are well known, not only in India but also abroad. They commenced their business in 1979, and over a period of time, they have established various hospitals, clinics, daycare centres, pharmacies, and other allied businesses, not only in India but also abroad. Their annual reports also prove that their turnover runs into several hundreds of crores of rupees, and they have carved a niche for themselves in the health and pharmaceutical segments. Judicial notice can also be taken regarding the said fact. Ten-factors tests highlighted supra are also satisfied by the Plaintiff for recognizing their trademark as a well-known mark as per the provisions of Section 11(6) of the Act.

The court observed that it is clear only with a dishonest intention of making undue profits by using the trademark 'Apollo', which belongs exclusively to Plaintiff, that Defendant has been using the name 'New Appolo Hospital'. Both the Plaintiff and the Defendant are in the same area of business. If Defendant is allowed to use the name 'New Appolo Hospital', it will certainly cause confusion in the minds of the public, who are familiar only with the usage of the name 'Apollo' for healthcare and pharmaceutical sectors by Plaintiff alone and no one else.

The court declared that the mark 'Apollo' is a well-known trademark insofar as the healthcare and pharmaceutical sector is concerned as per the provisions of Section 2(1)(zg) read with Section 11 of the Trade Marks Act, 1999.

A permanent injunction is granted restraining the Defendant from infringing, passing off and/or enabling others to pass off the registered trademarks of the Plaintiff, including 'Apollo', 'Apollo Hospitals', 'Apollo Diagnostics' and 'Apollo Clinic' and its variants by using the 'New Appolo Hospital' and/or any other mark identical and/or deceptively similar mark in any other manner whatsoever. The court directed the Defendant to pay the costs of this suit.

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152. Balancing of Rights, Yet Rendering Justice to Certification Marks?

Case: Scrum Alliance Inc vs Prem Kumar S & Ors. [CS(COMM) 700/2021]

Forum: High Court of Delhi

Order Dated: November 21, 2023

Issue: Whether the use by the Defendant of the mark is an infringement of the Plaintiff's certification marks CSM, Certified ScrumMaster and the logo ?

Order: In a recent case, the Plaintiff, Scrum Alliance Inc., based in Westminster, Colorado, USA, brought a suit against the defendants, Mr. Prem Kumar S. and Ors., for infringing and passing off the Plaintiff's certification marks CSM, Certified ScrumMaster and the logo . The Plaintiff claimed to be the largest, most established and influential Scrum certification organization. Worldwide, the Plaintiff claimed to have certified over 12.48 lakh practitioners as "Scrum Masters", of which over 1.72 lakh certificates had been issued in India alone. It was also claimed that the "Certified ScrumMaster (CSM)" certification issued by the Plaintiff was the first known professional Scrum certification. Plaintiff further claimed that it had been using the marks CERTIFIED SCRUMMASTER, CSM and the aforementioned logo in India since 2005, 2009 and 2013, respectively. These marks were applied for registration on June 30, 2016.

The defendants had applied for registration of the word mark CSM on November 23, 2012, which was granted on July 17, 2014. However, this was not registered as a certification trademark and only as a regular trademark. On December 16, 2016, the defendants filed an opposition with the Trade Marks Registry against the Plaintiff's mark ; however, in view of possible litigation that would have ensued on account of the facts of the case favouring the Plaintiff, the defendants withdrew their opposition. Thereafter, on June 21, 2018, Plaintiff wrote to the defendants not to use the word marks CSM or CERTIFIED SCRUM MASTER and that they should adopt, for its logo, a style which would fully distinguish it from Plaintiff's logo. The defendants were also asked to darken or lighten the colour of the logo and to add a comprehensive disclaimer wherever they wished to use the logo, clearly stating that it was neither affiliated to the Plaintiff nor related to it in any manner. The defendants conveyed they had agreed to the said conditions of the Plaintiff and even wrote to the Plaintiff that they had inserted the disclaimer on their website. However, it was learned that without holding any registration, the Defendant had adopted the logo, which the Plaintiff claimed to be deceptively similar to its logo . It was pointed out that the defendants also did not hold any registration for the word mark Certified Scrum Master. In the case of the Plaintiff, the defendants were using the marks CSM, CERTIFIED SCRUM MASTER, and the impugned logo, which were deceptively similar to the Plaintiff's registered certification trademarks. The impugned marks were used to provide identical certification services, thereby enhancing the possibility of confusion.

The court noted that as per Section 75 of the Trade Marks Act, 1999, infringement took place when a person who was not authorised to use the registered certification trademark used an identical or deceptively similar mark in the course of trade as a trade mark, in relation to goods or services in respect of which the certification trademark was registered. It was further observed that the Defendant's logo was deceptively similar to the Plaintiff's registered logo . The court noted that the Defendant's use of the sun motif was not a pure coincidence, and the Defendant also did not have any reasonable justification for the same. The court held and observed that since the mark of the defendants was a conscious depiction of "Certified Scrum Master" encased in a "sun" motif, the intent to confuse the certification provided by the defendants with that provided by the Plaintiff appeared to be *prima facie* apparent. It was further observed that even if one were to ignore the added matter in the impugned logo of the Defendant, the words "Certified Scrum Master" constituted the essential feature of the mark, which was infringing the registered certification trademark "CERTIFIED SCRUMMASTER" of the Plaintiff. As the likelihood of confusion existed, a case of infringement was made out against the Defendant's use of the marks CERTIFIED SCRUM MASTER and the impugned logo .

It was further observed that although the defendants' mark "CSM" was not registered as a certification trademark, it was indeed registered under the Indian Trade Marks Act as a regular mark. Looking at Section 76 of the Act covering the exceptions to infringement, the court observed that the question of whether the use of the mark "CSM" by the defendants constituted infringement of the Plaintiff's registered certification trademark "CSM" had to be answered in light of the provision under Section 76(3). This provision clearly specified that where a certification trade mark was one of two or more trademarks registered under the Act which were identical or deceptively similar to each other, the use of any of those trademarks would not constitute infringement of the other registered trademark(s). Thus, the court observed that since the Defendant's mark

"CSM" was registered as a trademark under the Act, its use by the defendants would not constitute infringement of the Plaintiff's registered certification mark "CSM".

The court also held and observed that the Defendant's argument that the Plaintiff's mark "Certified Scrum Master" was generic, being a combination of three generic words, was not tenable. The court noted that the Defendant was itself the proprietor of a registration for the mark "CSM", which was merely an acronym for "CERTIFIED SCRUM MASTER". Having obtained a registration for the acronym for "CERTIFIED SCRUM MASTER", the defendants could not, *prima facie*, contend that "CERTIFIED SCRUMMASTER" was not entitled to registration. Moreover, it was observed that the Defendant had entered the following trademark acknowledgement on its website:

"Certified Scrum Master (CSM)® is a Registered Trademark of GAQM."

Although the said acknowledgement was false on facts, it reflected the Defendant's own understanding that "CERTIFIED SCRUM MASTER" was entitled to registration. As such, the court rejected the Defendant's argument that the mark was generic or not entitled to registration on the grounds of descriptiveness/genericness.

The court also analysed the contention of the Defendant under Section 70 of the Trade Marks Act, which barred registration of marks as certification trademarks in the name of persons carrying on a trade in goods of the kind certified or a trade of the provision of services of the kind certified. The court observed that it could not be said that the Plaintiff was carrying on a trade of the provision of services of the kind certified by the mark "CERTIFIED SCRUMMASTER". It was noted that the Plaintiff had certified scrum trainers who imparted training in Agile methodology and Scrum certifications. Imparting training in Agile methodology, which would entitle the trainee to obtain a Scrum certification, could not be regarded as training in the provision of the services rendered using the Scrum Agile methodology. It was noted by the court that the Plaintiff did not do so, and thus, the bar of Section 70 did not apply to it.

Finally, as regards passing off, the court observed that the Plaintiff would have to establish acquisition of goodwill and reputation by use of the marks asserted in the plaint. The court noted that since the number of certifications granted by the Plaintiff wasn't substantial, the court wasn't in a position to *prima facie* decide that sufficient goodwill or reputation had accrued to hold the defendants liable for passing off their services as those of the Plaintiff. The determination of this aspect required a trial.

As a result, the court held that Plaintiff was entitled to an interlocutory injunction against Defendant's use of the mark "CERTIFIED SCRUM MASTER" and the impugned logo . However, the defendants could not be injuncted from using the mark “CSM”.

153. Delhi High Court Issues Temporary Restraint on the Use of ‘Dialmytrip’ Mark by Dialmytrip

Case: MakeMyTrip India Private Limited vs Dialmytrip Tech Private Limited [CS(COMM) 815/2023, I.As. 22458/2023, 22459/2023, 22460/2023 & 22461/2023]

Forum: High Court of Delhi

Order Dated: November 21, 2023

Issue: Whether the use of the name/mark ‘Dialmytrip’ by the Defendant infringes on the name/mark 'MakeMyTrip' of the Plaintiff?

Order: The present suit has been filed by the Plaintiff- MakeMyTrip (India) Pvt. Ltd., the operator of the MakeMyTrip portal and platform, seeking an injunction against the Defendant- Dialmytrip Tech Pvt. Ltd. from using the name/mark 'Dialmytrip', and the domain names 'www.dialmytrip.com' & 'www.dmtgroup.in'.

MakeMyTrip India Private Limited was incorporated in the year 2000 and is one of the largest airline ticket booking and travel platforms in India, as well as internationally. It has a presence in many foreign countries, including the United States of America, the United Arab Emirates, Mauritius, the European Union, Australia, and the United Kingdom. The company was incorporated on 13th April 2000 under the trade name 'Travel by Web Private Limited', but it changed its name on 2nd August 2000 to the trade name 'Makemytrip.com Pvt. Ltd.' Thereafter, on 28th June 2002, a subsequent change was made by the Plaintiff's mark/name, i.e., MakeMyTrip (India) Pvt. Ltd.

The domain name www.makemytrip.com was registered on 8th May 2000, and since then, Plaintiff has registered a series of marks with the core being 'MakeMyTrip' and 'My' devices. The various logos used by the Plaintiff are set out below:

The wordmark MakeMyTrip has been registered since the year 2011, and the Plaintiff now has a series of registrations in several classes, i.e.,9, 16, 35, 38, 39, 41, 42 and 43 for MakeMyTrip series of marks. The said marks are also stated to be registered in various foreign countries.

Plaintiff's grievance is that Defendant is using the mark and name 'Dialmytrip' in respect of financial and other services, but Defendant has recently expanded its services to tours and travel as well. A comparative chart of the Plaintiff's and Defendant's mark and domain name has been set out below:

MakeMyTrip Marks	Infringing Marks
Word Mark MAKE MY TRIP	Word Mark DIALMYTRIP
Composite Logos:	Composite Logos:

The Plaintiff is aggrieved by the use of the impugned name, mark and domain name Dailmytrip by the Defendant. The Defendant is a company engaged in a similar business to that of the Plaintiff, providing travel-related services, including selling and booking tickets, making hotel reservations, and arranging trips both in India and internationally. The Defendant is operating through its website with the domain name 'www.dialmytrip.com' and 'www.dmtgroup.in'.

Plaintiff avers that it became aware of Defendant's business and use of the mark in May 2023 during its regular check on the trademark registry website. Plaintiff submitted that, initially, Defendant applied for the mark DMT (Your Business Buddy) on 18th March 2020 through the corporate name Dialmytrip Tech Pvt. Ltd.

The Defendant was issued a cease-and-desist notice dated 25th May 2023. However, after the cease-and-desist notice was issued, Defendant applied for registration of full form, i.e., 'Dialmytrip', as a mark itself bearing number 6039656 in class 36, which is still pending.

The court opined that the marks Makemytrip and Dialmytrip are confusingly similar to each other. Especially considering the way online business relating to travel is conducted, Defendant's business and name are likely to be perceived as an extension of Plaintiff's well-known business or as an affiliate/connected business. Such confusion is also likely to lead to the dilution of the Plaintiff's mark and name as well as brand equity.

The court relied on the decision of the Supreme Court in the case of Laxmikant V. Patel v. Chetanbhai Shah & Ors., MANU/SC/0763/2001 and opined that in cases relating to trademark violations and passing off, if the evidence establishes a prima facie case, even at the ex-parte stage, injunction ought to be granted.

The court restrained the Defendant from using the mark 'Dialmytrip' with respect to tours, travel, hospitality, and all other services. Balance of convenience in the present case lies in favour of the Plaintiff, considering that it is a well-known company in the travel business that has built its goodwill and reputation throughout the years; if an injunction is not granted in the present case, it will lead to irreparable loss to the Plaintiff. Insofar as the financial, banking, insurance and other services and use of the corporate name are concerned, the same shall be considered on a later date after Defendant has entered an appearance in the matter.

Accordingly, the defendant is restrained from using the mark/name 'Dialmytrip' with respect to tours, travel, hospitality, and all other services. The Defendant has two domain names, www.dialmytrip.com and www.dmtgroup.in. The first domain name shall not be used with respect to tours, travel, hospitality, hotels, cabs, or any other travel-related services. The Defendant is, however, free to use the second domain name www.dmtgroup.in in respect of such services.

154. Delhi High Court Grants Injunction to Emerald Enterprises For 'EMERALD' Mark

Case: Emerald Enterprises vs Emerald Valves Private Limited [C.O. (COMM.IPD-TM) 278/2023]

Forum: High Court of Delhi

Order Dated: November 21, 2023

Issue: Whether the use of the mark 'EMERALD VALVES' or the trade name 'EMERALD VALVES PRIVATE LTD' by the Defendant infringes on the mark 'EMERALD' of the Plaintiff?

Order: This suit was filed by the Plaintiff - Emerald Enterprises, which is a partnership firm of Shri Joginder Singh Narula and Mr Baljeet Narula, against the Defendant for using the mark 'EMERALD VALVES' or the trade name 'EMERALD VALVES PRIVATE LTD'.

In this case, the dispute is in respect of the mark 'EMERALD'. According to the Plaintiff, the group was founded in 1967 by Mr Joginder Singh Narula with the firm name EMERALD ENGINEERS, and the partnership firm has been using the mark 'EMERALD' since 1990. The wordmark 'EMERALD' and the name 'Emerald Enterprises' with the 'EE' logo are stated to have been registered on 21st June 2006.

The Plaintiff also averred that it operates its business through the website under the domain name www.emeraldproducts.in, which was registered on 2 January 2010.

The Defendant- Emerald Valves Pvt. Ltd. is a company incorporated on 24th June 2022, engaged in the business of manufacturing and selling valves such as butterfly valves, globe valves, check valves, etc. Mr. Hrishikesh Madhukar Borse and Mr. Nitin Babasaheb Bhoite are stated to be the directors of the Defendant company. Defendant operates its business through the website with the domain name www.emeraldvalves.com.

The Plaintiff's grievance is that the Defendant had applied for the mark 'EMERALD' on 7th July 2022 on a 'proposed to be used Basis', and the said mark has been granted registration.

A comparative table of the Plaintiff's and Defendant's marks, along with their respective domain names, have been set out below:

S.No.	Plaintiff's Mark	Defendant's Mark
01.	EE EMERALD ENTERPRISES	EV Emerald Valves
02.	www.emeraldproducts.in	www.emeraldvalves.com

The Plaintiff submitted that the use of the above-mentioned mark and domain name by the Defendant had caused a lot of confusion in the market. The name, the goods and the class of customers are all identical.

The court noted that on the Google search results on a search of the mark/name Emerald Valves, the Plaintiff's business is the first result, and the Defendant's business is the second result. Plaintiff has a long prior user of the mark and names Emerald for valves, and Defendant's adoption is recent. The mark EMERALD is a completely arbitrary mark, and the adoption is therefore not bonafide. The Court was satisfied that this is a fit case for grant of ex-parte ad interim injunction owing to the long-term use of the Plaintiff.

The court relied on the case of Laxmikant V. Patel v. Chetanbhai Shah & Ors., MANU/SC/0763/2001, where the Supreme Court categorically observed that in cases where passing off is made out, the Court ought to grant an immediate ex-parte injunction and appoint Local Commissioners to ensure that the infringing products are not permitted to be sold. The court also relied on the case of Midas Hygiene Vs. Sudhir Bhatia, (2004) 3 SCC 90, where the Supreme Court observed that if a prima facie dishonest intention to pass off one's goods as those of appellant is proved and even if there is a mere delay, then also interim injunction ought to be granted.

Thus, the court opined that the Plaintiff had made out a prima facie case for grant of interim injunction. Balance of convenience also lies in favour of Plaintiff as Defendants are selling identical products, i.e., valves, under the deceptively similar domain names and marks, i.e., 'www.emeraldvalves.com' and 'EMERALD VALVES'. The court, Considering that the Plaintiff group has been using the mark for more than 50 years and the Plaintiff itself has been using the name and mark 'EMERALD' since 1990, Defendant is restrained from using the trademark and tradename 'EMERALD' for valves or any other similar goods or services. Defendant is given a period of one month to bring down its website, www.emeraldvalves.com, and henceforth, there shall be no fresh manufacturing or sale of the products bearing the mark 'EMERALD' by Defendant.

155. Prohibiting the Use of 'SUN' in Trademarks and Corporate Name – The FERTISUN Case

Case: Sun Pharmaceutical Industries Ltd. vs Laurensun Remedies Pvt. Ltd. & Anr. [CS(COMM) 788/2023]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the use of marks FERTISUN, FERTISUN-F and FERTISUN-L and the corporate name "LaurenSun Remedies Pvt Ltd" by the defendant infringes on the registered trademark of the plaintiff?

Order: This case was filed against the marks FERTISUN used per se as well as with the suffixes F and L as FERTISUN-F and FERTISUN-L and the corporate name of the defendant "LaurenSun Remedies Pvt Ltd".

The plaintiffs submitted that they have no objection to the use, by the defendants, of the prefix "FERTI" as in any of their marks but have an objection to the use of "SUN" as a prefix or a suffix or as any part of any marks used by the defendants or as part of their corporate name.

The defendant submitted that they agreed not to use "SUN" as a suffix or prefix or as any part of any mark with respect to any of their products or as part of their corporate name.

Thus, the court granted a decree of permanent injunction restraining the defendants from using "SUN" as part of their mark or brand name relating to any of the products manufactured and sold by them, whether as a suffix or as a prefix or anywhere else in the name.

The court further directed the defendant to place on record, on affidavit, the details of the last batch and manufacturing details of the last batch of any products manufactured by them, of the name of which "SUN" constitutes a part. The defendants are, however, granted two months' time to do so. As the plaintiffs do not press for costs and damages, no orders were passed in that regard.

156. Rectification Petition and Infringement Suit- The BETNOMAID and MEDNOVATE Marks Case

Case: Glaxo Group Limited vs Naresh Kumar Goyal, Trading as Maiden Pharmaceuticals & Anr. [C.O. (COMM.IPD-TM) 78/2023]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the rectification petition should be decided before proceeding with the trial of the trademark infringement suit?

Order: In this case, a rectification petition and the trademark infringement suit were filed. The Plaintiff filed the rectification petition for removing marks BETNOMAID and MEDNOVATE from the register of trademarks. Section 124 of the Trademarks Act envisages two possible scenarios where Plaintiff files a rectification petition against the Defendant's mark. If the rectification petition is pending - the provision does not say when - the suit must be stayed pending disposal of the rectification petition. If, on the other hand, no rectification petition is pending, then the occasion for the Plaintiff to file a rectification petition normally arises only if the Defendant raises a defence predicated on Section 30(2)(e) of the Trademarks Act, meaning that the Defendant pleads the registration of the impugned mark as a defence to the infringement suit.

A similar situation had arisen in this case, as the rectification petition was filed simultaneously with the suit. The Defendant, however, proceeded to file its written statement, in which a Section 30(2)(e) defence has been raised since the registration of the Defendant's mark has been pleaded as a defence by the Defendant. In its replication, the Plaintiff has also specifically questioned the validity of the Defendant's marks. The Court regarded the challenge raised as tenable, as this Court has already granted an interlocutory injunction in favour of the Plaintiff. The Court held that irrespective of whether the case falls within clause (i) and clause (ii) of Section 124(1) of the Trademarks Act, the rectification petitions are to be decided first before proceeding with the trial of the suit and listed the rectification petition hearing and disposal on 9 January 2024.

157. DHC Directs Trademarks Registry to Upload Brief Order of Advertisement Before Acceptance of Mark on its Portal

Case: Laxmi Kohlu Ghar vs Controller General of Patents, Designs and Trademarks [W.P.(C)-IPD 18/2022]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the reason for the acceptance, refusal, or advertising of trademark applications should be made available for the litigant's reference or not?

Order: The petitioner-Laxmi Kohlu Ghar, a business established in 1953, specialising in edible oils and related products, filed a petition under Article 226 of the Constitution of India before the Delhi High Court seeking various directions upon the trademark registry in respect of prosecution of trademark applications and compliance of directions issued earlier by various courts that are being ignored by the Registry.

The petitioner alleged that the reasons for the orders passed by the trademark office, whether accepting or directing the advertisement of a mark, are not made publicly available. Further, the petitioner alleged non-compliance with the mandatory directions issued by the Delhi High Court to the trademark registry in the case Jai Bhagwan Gupta vs. Registrar of Trademarks. The main concerns of the Petitioner were as follows:

- Arbitrary examination processes of new trademark applications.
- Without valid reasons, mechanical and reckless acceptance of false, frivolous, and undeserving trademark applications.
- Opaque acceptance, refusal, or advertising of applications without disclosing the reasons online.

Neglecting the maintenance of purity of the Register of Trademarks.

Additionally, the petitioner asserted its status as the first and prior adopter of the 'LAXMI' mark, claiming statutory rights under the Trademarks Act, 1999 and The Copyrights Act, 1957.

In response, the counsels on behalf of the Registrar of Trademarks argued that the reasons for accepting or directing the advertisement of a mark under Section 20 of The Trademarks Act, 1999 are recorded in an internal note sheet maintained by the Registry. The note sheet may be given upon filing an RTI application by an applicant or any other concerned party. The Court took note of following mandatory directions issued by it in 'Jai Bhagwan Gupta vs. Registrar of Trademarks', a case that had set guidelines for the proper examination and advertisement of trademarks:

“9. In recent times it is noticed, that almost all the trademarks are being advertised before acceptance under the Proviso to Section 20(1) of the Act. Such a procedure would be contrary to the Act, inasmuch as there is application of mind which is required to be exercised by the Registrar of Trademarks, prior to the mark being advertised. Under Section 20(1), there has to be a reason why the Registrar of Trademarks is directing advertisement before acceptance' and the same cannot be a ministerial act or a mere formality. The application of mind, prior to acceptance or advertisement before acceptance, has to be deliberate and conscious and the provisions of the Act would have to be considered by the Registrar consciously. Marks that do not deserve advertisement ought not to be advertised before acceptance.

The automatic or indiscriminate advertisement of trademark applications tends to increase the burden upon the applicants to keep a watch on the Trademarks Journal and oppose, leading to high costs to maintain trademark rights granted under the Act. Thus, it is not proper and is impermissible for the Registrar of Trademarks to direct advertisement of a majority of marks before acceptance under the proviso to Section 20(1) of the Act.

A specific order would have to be passed as to why the mark is being advertised after acceptance or why the mark is being advertised before acceptance. The order need not be detailed but ought to exist on file, even if it is very brief. The burden of the Registrar of Trademarks to examine marks as per the provisions of the Act and Rules cannot be completely shifted upon the applicants/proprietors/owners of the trademarks. Such a procedure would result in completely ignoring the provisions of the Act itself, which is impermissible. The Registrar has to maintain the purity of the Register.

It was, accordingly, directed that the Registrar of Trademarks shall ensure that whenever marks proceed for advertisement, a specific brief order is passed under Section 20(1) after acceptance for advertisement or under exceptional circumstances - under the proviso to Section 20(1) for advertisement before acceptance. All marks ought not to be permitted to proceed for advertisement and thereafter for registration."

The Court further observed that the Ld has also reiterated the above directions. Coordinate Bench of this Court in the case Kaira District Cooperative Milk Producers Union Ltd and Another v. Registrar of Trademarks and Others.

The Court, relying upon the aforesaid judgments, emphasised the need for a brief order to be passed at the time of acceptance or rejection of the mark. The Court directed that the said brief order should be available on the online portal of the trademark registry for litigants' reference. If the same is not uploaded for all applications, a copy of the brief order should still be made available upon request via email without there being a need to file an RTI application.

The matter is currently pending further submissions as the counsel for the trademark office has sought more time to seek instructions. It is expected that the trademark office might raise some administrative issues in uploading such orders for every application, but this would be antagonistic to the digitisation and transparency campaign launched by the Government of India.

158. Madras High Court Grants Permanent Injunction to Eicher Motors for "ROYAL ENFIELD" Mark

Case: Eicher Motors Ltd vs Nitin Service Point and Automobiles. [C.S. (Comm.Div.) No.77 of 2023]

Forum: High Court of Madras

Order Dated: November 22, 2023

Issues:

- Whether the Plaintiff has a proprietary right over the trademark "ROYAL ENFIELD?
- Whether the Plaintiff's trademark falls within the definition of a Well-Known mark within the meaning of Section 2(1)(zg) of the Trade Marks Act?
- Whether the use of the word "ROYAL ENFIELD" by the Defendant would amount to infringing and passing off of the Plaintiff's trademark?

Order: This case was filed by the Plaintiff Eicher Motors Ltd. under Order IV Rule 1 of O.S. Rules and Order VII Rule 1 CPC read with Sections 27, 29, 134 & 135 of the Trademarks Act, 1999, and first proviso to Section 7 of the Commercial Courts Act, 2015 against the Defendant Nitin Service Point and Automobiles seeking a permanent injunction restraining the Defendant from using the registered trademark 'ROYAL ENFIELD' of Plaintiff or any other similar mark.

The Plaintiff states that since 1955, the Plaintiff has been continuously, extensively, and widely manufacturing and marketing their motorcycles in India under the distinctive trademark ROYAL ENFIELD. All Plaintiff's products bear the house mark ROYAL ENFIELD and are sold across India and the globe. The Plaintiff's ROYAL ENFIELD motorcycles are sold under several well-known brands like Royal Enfield, Bullet, Enfield, Royal Enfield Continental GT, Royal Enfield Thunderbird, Classic, Royal Enfield Himalayan, Royal Enfield Interceptor, Royal Enfield Hunter, Royal Enfield Meteor etc.

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Plaintiff came to know in January 2023, through its authorized dealer, that Defendant is using the identical name "ROYAL ENFIELD" for its service centre. The service centre established by Defendant is situated just 4.7 km away from Plaintiff's authorized showroom. Therefore, the showroom established by Defendant is creating deception and confusion in the minds of the public.

The Plaintiff submitted the list of registrations for the mark "ROYAL ENFILED" and its variations obtained by the Plaintiff. Thus, The Court noted that the Plaintiff has a proprietary right over the trademark "ROYAL ENFIELD" and its variants. In fact, the registration under various classes shows that the Plaintiff has got various proprietary rights and rights as conferred for registration as applicable for a registered proprietor. Therefore, issue (a) is decided in favour of Plaintiff by declaring that Plaintiff has a proprietary right to the trademarks "ROYAL ENFIELD" and its variants.

After analysing the provisions of Sections 11(6) and 2(1)(zg) of the Act, 1999 and the Trade Marks Rules, 2017, and the authorities pertaining to the grant of recognition of a trademark as a well-known mark, the Court was convinced that concurrent powers were vested with both this Court as well as the Trade Marks Registry for granting recognition to a trademark as a well-known mark. Rule 124 of the Trade Marks Rules of 2017, which empowers the trademark registry to grant recognition of a trademark as a well-known mark, also makes it clear that once the Court passes an order recognizing a trademark as a well-known mark, the trademark registry will have to give due consideration to the said recognition, while adjudicating as to whether the applicant is entitled to be granted the recognition of its trademark as a well-known mark.

The court, after applying the 10 factors which need to be considered for adjudicating whether a trademark is a well-known mark or not, noted that the mark Royal Enfield fulfil all the requirements of a famous mark in the motorcycle industry, their trademark "ROYAL ENFIELD" is well-known, not only in India but also in abroad. They commenced their business in 1955, and over time, they have established 187 exclusive stores in 22 countries and have over 1000 dealers/retailers around the world. Their annual reports also prove that their turnover runs into several hundreds of crores of rupees, and they have carved a niche for themselves in the motorcycle industry.

The court said that Defendant's name, "ROYAL ENFIELD", is synonymous with Plaintiff, and Plaintiff is therefore entitled to the highest level of protection as the public at large associates the name "ROYAL ENFIELD" only with Plaintiff. Therefore, the Plaintiff's trademark falls within the definition of the well-known mark within the meaning of Section 2(1)(zg) of the Act and deserves the protection that is conferred to well-known marks under the Trade Marks Act.

The comparison of the plaintiff's and defendant's outlets, as submitted by the Plaintiff, is shown below:

Plaintiff's outlet-

Defendants' outlet-

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After seeing the outlets, the court said that Defendant has not only blatantly copied the essential features of Plaintiff's authorized outlets but has also unauthorizedly used Plaintiff's registered trademark, "ROYAL ENFIELD", to market its service centre. Apart from this, the exterior of the Plaintiff's outlets has ROYAL ENFIELD written in red lettering on a dark grey background with golden yellow lines on either side, and the frontage of the outlet consists of a deceptively similar glass panelling as that of the Plaintiff's outlet. Therefore, Defendant selling its products by using such a deceptively similar/identical trademark and thereby creating confusion and deception in the minds of the public would amount to infringement of Plaintiff's registered trademark, "ROYAL ENFIELD".

Therefore, The Court granted a permanent injunction restraining the Defendant from infringing the registered trademark "ROYAL ENFIELD" by use of an identical mark "ROYAL ENFIELD” or any other mark identical and deceptively similar thereto in respect of any goods or services or in any other manner whatsoever. Further, in view of infringement and passing off committed by Defendant, Defendant will have to pay for the costs of this suit.

159. Johnson and Johnson's Pursuit Against Defendants for Counterfeit Medical Products

Case: Johnson & Johnson vs Pritamdas Arora T/A M/S Medserve & Anr [CS(COMM) 570/2019]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the use of Plaintiff's marks 'ETHICON', 'LIGACLIP', 'SURGICEL' and 'SURGICEL' by Defendant for the sale and manufacturing of counterfeit and expired products constitute trademark infringement?

Order: This case was filed by Plaintiff Johnson and Johnson seeking a permanent injunction against the Defendants on account of manufacturing and selling counterfeit bleeding management devices bearing the Plaintiff's marks 'ETHICON', 'LIGACLIP', 'SURGICEL' and 'SURGICEL' formative marks as well as its distinctive trade dress.

The Plaintiff alleged that the defendants are involved in the manufacturing, selling, and repackaging of counterfeit/expired medical products as new products. The Defendants have stopped appearing in the matter since 7 October 2021. Thus, vide order dated 6 December 2022, vide order dated 11 October 2019, this Court inter alia granted an ad-interim ex-parte injunction against Defendant No. 1. After that, on 14 January 2020, the Court closed the right of the Defendants to file their respective written statement in terms of Order VIII Rule 1 CPC.

According to the Plaintiff, the Defendants' activities pose a huge threat to human life owing to the Defendants' non-compliance with stringent quality checks on the efficacy and safety of the products that the Plaintiff has maintained. The Defendants' adoption and unauthorized use of the Plaintiff's marks and sale of counterfeit products constitute infringement and passing off the Plaintiff's trademarks. Further, Plaintiff claimed that the Defendants are guilty of falsely applying Plaintiff's marks as well as its trade dress.

The Plaintiff presented WhatsApp messages showing that expired products were being repackaged and sold by the Defendants. Considering the non-appearance of the Defendants, they have proceeded ex parte by issuance of bailable warrants against the said Defendants. The Court directed the Delhi Police, Bureau of Immigration/MHA, UIDAI, GST department, and IT department to place a fresh status report for the defendants' whereabouts.

160. Delhi High Court Permits Defendants' Business Transition to "JMVD" After Injunction Order

Case: M/S Malhotra Book Depot vs M/S Mbd Industries and Anr. [CS(COMM) 133/2019, I.As. 3654/2019, 6716/2019 & 7055/2019]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the use of the same mark 'MBD' by the Defendant for its goods and services is an infringement of the Plaintiff's registered mark 'MBD'?

Order: The present suit is filed by the Plaintiff-M/s Malhotra Book Depot, against the Defendants, restraining them from using the mark/trade name 'MBD', logo mark and the domain name 'www.mbdindustries.co.in'.

The Plaintiff is a partnership firm that claimed to be a publishing house operating its business under the mark 'MBD'. The Plaintiff coined the mark 'MBD' in the year 1956, taking the first alphabets of its name, Malhotra Book Depot. The Plaintiff is one of the largest content providers in education, specializing in the production of school-level books such as textbooks, reference books, help books, and study material and developing content in almost all regional languages of India.

Plaintiff asserted to be the only publishing house in India with complete backward and forward integration, right from a self-owned paper manufacturing unit, in-house press facilities and in-house printing and binding units to its own distribution network with twenty-nine branch offices in India. The Plaintiff also operates its business through the website with the domain name 'www.mbdgroup.com'.

The Plaintiff secured registration for its 'MBD' mark bearing application number 325406 under class 16 in the year 1977. The wordmark 'MBD' is also registered under class 19, bearing registration number 2626974, and in class 37, bearing registration number 1943448. It is further stated that the Plaintiff's 'MBD' logo marks also constitute an original artistic work under Section 2 (c) of the Copyright Act, 1957.

Defendant No.1 - M/s MBD Industries was established in 2006 and since then has been engaged in the business of non-metallic building material. Defendant No.2- Ravi Shankar Jaiswal, who is the promoter of Defendant No.1, applied for the registration of the mark 'MBD' bearing application number 1523965. The same was opposed by the Plaintiff and was subsequently abandoned.

The case of the Plaintiff is that the Defendants are using deceptively similar marks and logos as of the Plaintiff, i.e., 'MBD'. The Defendants are also advertising their business through the website with the domain name 'www.mbdindustries.co.in" for their business activities, including construction services manufacturing bitumen emulsion and bitumen and providing products required for construction.

The Court granted an ex parte injunction order in favour of the Plaintiff, vide order dated 13th March 2019. The Court opined that a prima facie case of infringement and passing off is made out in favour of the Plaintiff, and the balance of convenience is also in its favour. Further, irreparable harm or injury would be caused to the Plaintiff if an interim injunction order is not passed.

After that, the Defendants moved an application under Order XXXIX Rule 4 CPC, 1908 and the Plaintiff moved an application under Order XXXIX Rule 2A CPC, 1908.

The court noticed that no arguments have been addressed by the Plaintiff for the last four hearings, and adjournments are being sought. The last effective hearing in this matter was in 2019 when the parties were trying to resolve the issue amicably. Vide orders dated 25th November 2019 and 16th December 2020 the matter was referred to Delhi High Court Mediation and Conciliation Centre for amicable settlement. However, the same was not settled as per the mediation report dated 3rd February 2021.

The Defendants submitted that the mark 'MBD' is drawn from the name of the goddess "Mata Vindhyavasini Devi" in the Purvanchal area, whom the Defendants' promoters believe in. However, the regional pronunciation of the goddess is "Mata Bindhyavasini Devi"; hence, the initials "MBD" were adopted. Defendant further submitted that during the pendency of the suit and the applications, during one of the mediation sessions, both the parties agreed on the Defendant proceeding ahead and adopting the mark 'JMVD'. The same has been in use since then. Despite the change of the mark, the Plaintiff continues to insist on damages.

The court observed that the Plaintiff is in the business of publishing while the Defendants are using the mark 'MBD' for road construction material. The Defendants have also, after the passing of the injunction order, changed the mark to 'JMVD'.

The court held that Since the Plaintiff cannot have any objection to the mark 'JMVD', all three applications are disposed of, permitting the Defendants to continue their business under the mark 'JMVD'.

161. Selling Fake Products Contrary to Public Interest, Could Render Brand Ineffective

Case: Aero Club vs M/S Sahara Belts [CS(COMM) 189/2019, I.As. 5370/2019 & 8280/2023]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the use of the mark 'WOODLAND' by Defendant for counterfeiting products is an infringement of Plaintiff's registered trademark?

Order: The Plaintiff filed the present suit, seeking an injunction against Defendant, restraining them from manufacturing, offering for sale, selling, advertising, directly or indirectly, any products bearing the registered trademark 'WOODLAND' of the Plaintiff.

The Plaintiff adopted the said mark in 1992 along with a distinctive device. The said mark is used for the manufacture, sale and export of various products, including footwear, apparel products, and lifestyle products like belts, wallets, shoes, shirts, T-shirts, etc. The mark 'WOODLAND', 'WDL', 'TREE device' and 'WOODLAND' labels are registered by the Plaintiff.

The Plaintiff averred that the 'Tree Device' and 'Woodland Label' of the Plaintiff are also protected for their original artistic works under section 2 (c) of the Copyrights Act, 1957.

The 'WOODLAND' trademarks, as per the Plaintiff, have acquired extensive goodwill and reputation. The domestic sales of the Plaintiff under the 'WOODLAND' trademark for the financial year 2017-18 are stated to be almost Rs.1000 crores. The 'WOODLAND' marks have also been advertised in national newspapers. A substantial amount of Rs.17 crores has been incurred on promotion in the year 2017-18 for promoting and advertising the mark.

Plaintiff learned about Defendant sometime in March 2019 that it had been selling counterfeit 'WOODLAND' products, and so it appointed an investigator. The said Investigator's report revealed that the shop is owned by one Mr Javed Alam, who is marketing and selling counterfeit products, i.e., belts, belt buckles and wallets bearing the registered 'WOODLAND' mark. The investigator also purchased the products at Rs.32/-, Rs.42/-, and Rs.140/- for three belts he had purchased. The Kaccha invoice has also been placed on record. The investigator also observed that the defendant's shop had a warehouse located on the same premises. In view thereof, the Plaintiff filed the present case.

The Court, vide an order dated 12th April 2019, passed an ex parte ad interim injunction and appointed a local commissioner to affect a search and seizure of the infringing products at the Defendant's premises; the Local Commissioner's report dated 3rd May 2019 has been placed on record which reveals that a large quantum of counterfeit products like belts, wallets and belt-buckles were found at the Defendant's premises.

Thereafter, Plaintiff moved an application, i.e., I.A. 8280/2023 under Order XIII-A CPC, 1908, seeking a decree by way of a summary judgment. The Defendant submitted that he is merely a shopkeeper and is not aware of who manufactures these products. However, the Defendant is willing to reveal the person or entity from whom he has purchased these products.

The Court has perused the pleadings and the report of the Local Commissioner in the matter, as well as the pleadings in the applications. A perusal of the report of the Local Commissioner and the inventory shows that Defendant is selling infringing products with an identical 'WOODLAND' mark, logo, tree device and packaging as that of Plaintiff. Further, more than 11,000 counterfeit products, consisting of wallets, bags, belts, belt buckles, etc., were seized from the Defendant's premises. Thus, Defendant is aware that the products he sold are counterfeit products and cannot be sold in this brazen manner.

The court opined that in the present case, a summary judgment in favour of the Plaintiff deserves to be passed. Accordingly, the suit is decreed against the Defendant, and the Defendant is restrained by way of a permanent injunction from manufacturing, selling, offering for sale, advertising or in any manner selling any products bearing the 'WOODLAND' word mark

'TREE device, 'WOODLAND' label or any other mark which is identical or deceptively like the Plaintiff's mark.

The Court held that all the seized products shall now be handed over by Defendant to Plaintiff's representative on 10th December 2023, when Plaintiff's representative may visit Defendant's premises. The Plaintiff is free to destroy or donate the said products to some charity if the same are usable.

Court opined that the present suit is liable to be decreed in favour of the Plaintiff against the Defendant, towards: -

i. Damages to the tune of Rs.10,00,000/-

ii. Costs of Rs. 1,00,000/-

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162. Trademark Distortion in Cinematic Display: Himalaya Wellness Company Finds Remedy Against "VIMALAYA" Depiction in 'Aachar & Co.'

Case: Himalaya Wellness Company & Ors vs Prk Productions Llp [CS(COMM) 844/2023 & I.A. 23488-92/2023]

Forum: High Court of Delhi

Order Dated: November 24, 2023

Issue: Whether the use of the mark "VIMALAYA" in the film "Aachar & Co." constitutes trademark infringement?

Order: The present suit was filed by the Plaintiffs-Himalaya Wellness Company and two group companies who are aggrieved by the depiction of the mark 'VIMALAYA' along with various other products of the Plaintiff in the Kannada feature film 'Aachar & Co' (from now on, the film).

The plaintiffs stated that they had been involved in manufacturing and distributing ayurvedic medicaments since 1930. The Plaintiffs have operated under the umbrella brand Himalaya since 1930. Over the years, the Plaintiffs have offered a diverse range of health and wellness products, cosmetics, etc., under the Himalaya name.

The plaintiffs averred that the artwork involved in the various stylistic representations of the Plaintiffs' marks 'HIMALAYA', 'Liv .52', 'GERIFORTE', and 'EVECARE' trademarks as well as the associated trade dress, constitute original artistic works within the meaning of Section 2(c) of the Copyright Act, 1957. The Plaintiffs claimed they are the first copyright owner in each said artwork/label/logo by Section 17 of the Copyright Act, 1957.

The Plaintiffs are aggrieved by the use of the deceptively similar mark "Vimalaya" in the cinematographic film "Aachar and Co." and sought a permanent injunction against the use of the same. The Plaintiff stated that the protagonist, posing as a sales representative, was going from house to house and attempting to sell products to the customers. In the movie, the protagonist uses dialogues/script/contents using similar/identical names to the Plaintiffs' registered 'HIMALAYA', 'Liv.52', 'GERIFORTE',

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'EVECARE'. The Plaintiffs submitted that there was a complete distortion of the Plaintiffs' name 'HIMALAYA' to 'VIMALAYA', and the said products of the Plaintiffs were incorrectly shown.

The plaintiffs submitted that the film 'Aachar & Co.' was released in July 2023. Upon realizing the incorrect usage of the Plaintiffs' house mark, trademarks and brands, the Plaintiffs issued a notice to the Defendant, who is the film's producer. A legal notice was issued on 29 August 2023 calling upon Defendant to remove the references and scenes featuring Plaintiff's products from all media platforms. As the movie is available on Amazon Prime, the notice was also sent to Amazon Sellers Services Pvt. Ltd. (from now on ASSPL) and to PRK Productions LLP- the film's producers.

Defendant ASSPL replied on 5 September 2023, stating that in the present case, Amazon is merely a licensee of the film from the producer. ASSPL asserted that any grievances and remedies should be directed toward the licensor, as ASSPL exercises its rights based on the agreement with PRK Productions LLP. It was also stated that ASSPL promptly informed the Defendant of the Plaintiff's claims. In the reply, the producer alleged that neither 'Liv.52' nor 'GERIFORTE' nor 'EVECARE' are registered trademarks of the Plaintiffs. The Defendant merely relied upon a disclaimer which appears in the film to justify its conduct.

After considering the screenshots presented by the Plaintiff, the court noted that there was very little difference between the words 'HIMALAYA' and 'VIMALAYA', and thus the similarity between the two was noteworthy. Moreover, the trademark registrations of the Plaintiffs for all these marks had also been placed on record. Under such circumstances, the court held that the denial by the Defendant was not justified. However, considering the mandatory nature of relief, which was being sought, i.e., to remove references to the Plaintiff's name and brands or at least to blur the same, and the fact that the film itself had been released in July 2023, the court directed to issue notice to the Defendant and appear before it.

163. Clash over ABBZORB Mark Between Sun Pharmaceutical vs Protrition Products

Case: Sun Pharmaceutical Industries Ltd vs Protrition Products LLP and Ors. [CS(COMM) 533/2022, I.A. 12259/2022]

Forum: High Court of Delhi

Order Dated: November 24, 2023

Issue: Whether the Defendant's use of the marks "ABBZORB" and "ABBZORB NUTRITION" infringed on the Plaintiff's trademarks "ABZORB," "ABZORBEC," and "ABZORB SYNDET" ?

Order: The Plaintiff, Sun Pharmaceutical, has held registrations for trademarks 'ABZORB', 'ABZORBEC' and 'ABZORB SYNDET' since 2008 and is using them for anti-fungal pharmaceutical preparations. The defendants also had registrations for ABBZORB and ABBZORB NUTRITION in classes 29, 30, 31 and 32. However, the defendants are using ABBZORB NUTRITION for whey protein, which falls in class 5. So, the defendants’ use is not consistent with its registrations and goods covered therein. Their attempt to get registration for ABBZORB in class 5 has not been successful.

The Plaintiff's counsel pleaded phonetic identity between the set of marks and that Defendant has secured registration in irrelevant classes, *malafidely* using it for class 5 product and has been making dishonest attempts to secure registration for ABBZORB in the same class in which the Plaintiff's registration exists.

The Defendant's counsel defended the position by pleading that the mark ABZORB was not a registerable mark as it was a mere variant of the common English word. The price difference between respective products is quite obvious, with specified intended use for different consumer sections. Another defence suggested was that if one was to be confused, it is the Plaintiff's product that would cause harm and not the Defendant’s, i.e., if someone, owing to confusion, applied whey protein on a fungal infection, nothing adverse would happen except non-address/healing of infection. However, if someone consumes an anti-fungal preparation, confusing it to be whey protein, the same would cause serious adverse consequences.

The Court observed the provision of Section 29 for the purpose of infringement. It states that if a mark is compared to another mark, there is the likelihood of confusion or deception or a presumption of association, and there is infringement. This possibility of likelihood (not actual) of confusion has to be assessed from the point of view of a consumer of average intelligence and imperfect recollection who seeks the marks at different points of time and not side by side comparison. The addition of dissimilar features may become insignificant when textual elements are deceptively similar. Thus, the Defendant's plea that labels and overall appearance of the two products are different doesn't find much merit in defence against a claim of infringement. The Plaintiff's plea that two sets of marks (ABZORB and ABBZORB) are confusingly and deceptively similar is acceptable, and there is every likelihood of the consumer confusing one product for the other. It was concluded that *a prima facie* case of infringement exists.

It was further observed that the defence under Section 30(2)(e)10 that where a registered mark is used, such use cannot be treated as infringing in nature, also doesn't rescue the defendant case since their mark is not registered in class 5 and their use pertains to class 5 product. This reinforces the need for consistency between trademark registration and product use.

The Court also struck out the Defendant's plea that ABZORB was not a registerable mark as it was a variant of the common English word since the Defendant itself applied for registration of the ABBZORB mark. Moreover, there is no prohibition on securing registration for common English words for unrelated products, as done by the Plaintiff. The Court supported the Plaintiff's plea on the dishonest intention of the Defendant since the latter became aware of the Plaintiff's ABZORB mark during the prosecution phase of the latter's ABBZORB trademark application and yet used their impugned mark for class 5 products.

The Court accordingly injuncted defendants from using ABBZORB and ABBZORB NUTRITION marks for dietary/ health supplements, nutraceuticals, etc.

164. Sanofi India Secures Interim Injunction Against ‘COMFLAM’ in Trademark Dispute

Case: Sanofi India Limited vs Saint Micheal Biotech & Ors. [C.O. (COMM.IPD-TM) 161/2023]

Forum: High Court of Delhi

Order Dated: November 24, 2023

Issue: Whether the use of marks 'COMFLAM/COMFLAM+' and 'CONIFLAM' by Defendant infringes on the mark ‘COMBIFLAM’ of Plaintiff?

Order: This suit was filed by the Plaintiff- Sanofi India Limited, seeking a permanent injunction against the Defendants, restraining them from using the marks 'COMFLAM/COMFLAM+' and 'CONIFLAM', as also any mark which is deceptively similar to the Plaintiff's mark 'COMBIFLAM'.

The Plaintiff's mark 'COMBIFLAM' bearing no. 426051 is registered under class 5 for 'medicinal and pharmaceutical preparations' and is a well-known analgesic and anti-inflammatory tablet adopted in the year 1984 with respect to a combination of ‘Ibuprofen’ and ‘Paracetamol’ tablets.

The Plaintiff averred that the Defendants are also engaged in the identical business of manufacturing and selling pharmaceutical and medical preparations under the mark 'COMFLAM' bearing registration number 1052537 under class 5.

The plaintiff submitted that the defendants have an identical product in identical packaging with almost an identical mark, i.e. 'COMFLAM'. As shown below:

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It was submitted. The only difference is the absence of the letters 'BI' from the Plaintiff's mark 'COMBIFLAM'. The Defendant Saint Michael Biotech has a registration in its favour for 'COMFLAM'.

The court noted that the packers' and loaders' documents and the packing receipts showed that the Defendants' product had been referred to as the 'Sunny's Combiflam'. This is a clear passing off, even on the transporter's end. The identity in packaging, mark, and the nature of the product of the Defendants leaves no manner of doubt that the customers, i.e. the patients and the medical community, would be completely confused between the Plaintiff's product and the Defendants' product.

Thus, the court passed an interim injunction, restraining the Defendant from using the impugned marks. The case will be listed on 14 December 2023.

165. Delhi High Court Dismisses Trading Corporation of Pakistan's Suit Against India's Ministry of Commerce & Industry Over 'Super Basmati' Export Dispute

Case: Trading Corporation of Pakistan Pvt. Ltd. vs Govt. of India Ministry of Commerce & Industry [CS(COMM) 538/2018]

Forum: Delhi High Court

Order Dated: November 28, 2023

Issue: Whether the Govt. of India Ministry of Commerce & Industry use of the mark "Super Basmati" for the export of rice infringes on the Plaintiffs' trade name, label, classification, brand or variety of 'SUPER BASMATI'?

Order: In the case of *Trading Corporation of Pakistan Pvt. Ltd. v. Govt. of India Ministry of Commerce & Industry*, Justice Prathiba M. Singh of the Delhi High Court passed an order on 28th November 2023. In the matter, Plaintiff 1, Trading Corporation of Pakistan Pvt. Ltd., Plaintiff 2, Rice Exporters Association of Pakistan, and Plaintiff 3, Basmati Growers Association, had sought an injunction against the Defendant, i.e., the Government of India, Ministry of Commerce & Industry.

The injunction aimed to restrain Defendant from permitting the export of rice under the name 'Super Basmati' and from infringing on Plaintiff's trade name, label, classification, brand or variety of 'SUPER BASMATI.' However, Justice Prathiba M. Singh dismissed the suit for non-prosecution as there was no appearance on behalf of the Plaintiffs, and the suit had not been effectively prosecuted since 2020.

In 2008, the plaintiffs initiated legal action challenging a Gazette Notification dated 24th May 2006, issued by the Department of Commerce, Government of India, permitting exports of evolved Basmati rice or any rice from India under the name/ variety/ tradename/ SUPER BASAMATI. The plaintiffs filed the suit seeking an order of permanent injunction directing the Defendant not to give effect to the Gazette Notification. This notification permitted the export of evolved Basmati rice or any rice from India under the name, variety, classification or trade name of 'SUPER BASMATI' and also to restrain the Defendant, their partners, servants, agents, representatives, exporters from India and all those who acted in concert with them to take legislative, regulatory or administrative action in furtherance of this Notification and from using the name 'SUPER BASMATI' in relation to export of rice from India.

The Plaintiff had submitted that the export of rice under the name of 'SUPER BASMATI' constitutes passing off of the Plaintiffs' trans-border reputation of the 'SUPER BASMATI' name, label, quality, variety and classification of the evolved Basmati rice. The court had famed issues in 2014, and thereafter, the Plaintiff's evidence was also concluded. On behalf of the Defendants, one witness appeared in 2019. However, his cross-examination was not concluded. With effect from 3rd September 2020, no one appeared on behalf of the Plaintiff and discharge was sought by the Plaintiff's counsel in 2022.

The Defendant further submitted that ‘Basmati’ had also been registered as a geographical indication (GI) under the provisions of the Geographical Indications of Goods (Registration and Protection) Act, 1999 in India, bearing application no. 145, which was granted on 15th February 2016. In addition, it was also stated by the Defendant that as per the Notification dated 18th September 2017 issued by the Ministry of Agriculture, the seed production of all varieties of Basmati rice notified under Section 5 of the Seeds Act, 1966, is restricted to the GI registered rice growing areas of Delhi, Punjab, Haryana, parts of UP and state of Jammu & Kashmir.

Considering the nature of the case, the court dismissed the suit due to non-prosecution, stating that since there was no appearance on behalf of the plaintiffs and the suit had not been effectively prosecuted since 2020, and considering the Defendant's submissions, no further orders were necessary. All pending applications were also disposed of.

166. Delhi High Court Overturns IPAB Decision Revoking Yashoda Super Speciality Hospital Trademark Due to Alleged Infringement of Principles of Natural Justice

Case: Yashoda Hospital and Research Centre Limited vs Yashoda Super Speciality Hospital and Anr. [C.A.(COMM.IPD-TM) 40/2022]

Forum: High Court of Delhi

Order Dated: November 29, 2023

Issue: Whether there were procedural irregularities and violations of natural justice in the IPAB's proceedings, specifically regarding the service of communications, the ex parte order, the issuance of a fresh notice, and the IPAB's potential confusion?

Order: This review petition was filed seeking a review of the order dated 21 January 2020 passed by the learned IPAB. By said order dated 21 January 2020, the learned IPAB allowed Rectification Petition No. ORA/13/2017/TM/DEL filed by Respondent 1 seeking rectification of the register of trademarks by removal, therefrom, of the mark , registered in favour of the petitioner vide Registration No. 1340261 in Class 42 w.e.f. 22 February 2005.

Yashoda Super Speciality Hospital & Heart Institute happens to be one of the leading hospitals in Ghaziabad and, according to the petitioner, a forefront in cancer research and treatment, on the petitioner's hospital's repute. The first was that the petitioner had, in its application dated 22 February 2005, for registration of the mark , provided "the Tis Hazari address", as the "address for service". The application also provided "the Yamuna Vihar address" as the address of the petitioner's proprietor. Subsequently, on 11 November 2014, the petitioner informed the Registrar of Trademarks that its Constituted Attorney had changed and that the address of the new Trademark agent, which was to be treated as the petitioner's address for service. Instead of effecting service at either of these addresses, communications were addressed by the learned IPAB to the Yamuna Vihar address of the proprietor of the petitioner as provided in its application seeking registration of the mark .

The appellant submitted that as per Rules 17 and 182 of the Trade Marks Rules, 2017, is that once an address for service is provided by an applicant to the Trade Marks Registry, that address for service has necessarily to be the address at which all communications are addressed to the said applicant, in connection with any proceeding under the Trade Marks Act, which would include rectification proceedings under Section 573 of the thereof. Inasmuch as noncommunication was ever addressed to the petitioner either at the address for service provided in the application seeking registration of the trade mark or at the new address for service reflected in the communication dated 11 November 2014, Thus it cannot be said that service either of the rectification petition filed by the respondents or of any communication from the learned IPAB in that regard could be said to have been made on the petitioner. Thus, the impugned order was passed ex parte under the mistaken impression that the petitioner had been duly served.

The Court noted that there is no dispute about the fact that, on 10 December 2018, the learned IPAB treated the petitioner as not having been served in the rectification petition prior thereto and, in fact, directed fresh notice to be issued to the petitioner for 8 April 2019. There is also nothing to show that the said fresh notice was ever issued or served on the petitioner. No document evidencing any attempt at service having been made on the petitioner, in accordance with the direction to that effect, as passed by the learned IPAB on 10 December 2018, is forthcoming on record. Had the petitioner refused to accept service of the notice issued by the learned IPAB on 8 April 2019, it goes without saying that a copy of the postal endorsement in that regard would also have been enclosed with the communication dated 24 July 2020. The learned IPAB, therefore, was clearly in error in observing, in its subsequent order dated 8 April 2019, that the petitioner had refused to accept service.

The Court further noted that the IPAB confused the first abortive attempt at service of the papers relating to the rectification petition on the petitioner on 22 March 2018 with the service of the papers as directed by the order dated 8 April 2019. The record reveals, quite clearly, that there was no compliance with the direction passed by the learned IPAB in its order dated 8 April 2019, for fresh service to be effected on the petitioner. This could convince the Court that the observation, in the subsequent order dated 8 April 2019, of the learned IPAB that the petitioner had refused to accept service was not, in fact, incorrect. Therefore, the learned IPAB, under an erroneous presumption of fact that the petitioner had been duly served, proceeded, on 21 January 2020, to decide the rectification petition filed by the respondents ex parte against the petitioner.

The Court stated that the facts of the case, as well as the pre-eminent public interest involved in ensuring that justice is, at all costs, done, convince me, therefore, that a case for review of the order dated 21 January 2020, within the meaning of Rule 23 of the IPAB Rules does exist.

In view of the aforesaid, without making any observation on the merits of the impugned order or on the merits of the rival stands of the parties in the rectification petition instituted by the respondents, and solely on the ground of violation of the principles of natural justice and the requirement of due opportunity to the petitioner to contest the rectification petition, the Court quashed and set aside the impugned order dated 21 January 2020 passed by the learned IPAB.

167. Big Brother Knows All: The Doctrine of Prosecution History Estoppel

Case: Shantapa alias Shantesh S. Kalasgond vs M/s. Anna [Appeal From Order No. 915 OF 2023]

Forum: High Court of Bombay

Order Dated: November 30, 2023

Issue: Whether the use of mark by the defendant infringes upon the mark

Order: The Appellant-Plaintiff, being the registered proprietor of the marks ANNA IDLI GRUHA, and claimed that the defendant, being the registered proprietor of the mark was infringing on their mark and sought an injunction before the District Judge, Pune. The injunction was not granted to the Appellant, and hence, the order was challenged before the Bombay High Court.

The plaintiff made a case that they have been using the mark since 2011, much before the defendant began his venture, and are, therefore, the prior user. They also contended that "ANNA" was the dominant feature of their mark and that usage by the defendant would create a non-existent nexus between the businesses. They argued that the representations made by the plaintiffs' attorneys in the prosecution phase would not preclude them from seeking an order for injunction and that the doctrine of prosecution history estoppel cannot be applied to the present case since one must consider the elements of passing off and not the defenses taken at the time of registration in the current proceedings. They contended that the defenses taken at the time of registration are limited to prosecution proceedings and cannot bind them in a claim for passing off.

The Respondent-Defendant claimed that the plaintiff had suppressed information and had not approached the Court with clean hands. They submitted that the plaintiff cannot make an assumption with regard to the relevance of the information and must submit all connected information. They contended that the plaintiff received Examination Reports citing the defendant's mark and had submitted replies to the Examination Reports claiming that there was no similarity between the marks and, therefore, cannot maintain a claim for passing off since it is contrary to their initial submission. The defendant submitted that the prosecution history cannot be ignored while considering the possibility of passing off.

The Court noted that the search reports issued for the plaintiff's marks contained the defendant's mark. The plaintiff disputed this claim by stating that there are no similarities between the marks and, therefore, there can be no deception. The Court noted that by filing these replies, the plaintiff had willfully allowed other parties to carry on their businesses containing the term ANNA since they believed their customers were not likely to be confused between their business and other businesses using ANNA in their mark.

The Court reasoned that the plaintiff had represented twice at the prosecution stage that his mark was not similar to the defendant's mark, knowing that the defendant intended to use the mark for the same class of goods, leading him to believe that he was free to use his mark and therefore cannot maintain a claim for passing off.

The Court held that the representation made by the plaintiff in the prosecution stage and its suppression disentitles the plaintiff from maintaining a claim for passing off. This decision states that deliberate representations made by a proprietor lulling one into a false sense of security or making claims of dissimilarity between the marks are intentional waivers and amount to acquiescence. This decision establishes that submissions of dissimilarity between marks are not cyclostyled replies but are conscious assertions that do not allow the maker to take shelter under the plea of prosecution history estoppel.

168. Castrol Secures Victory Against Counterfeit Lubricants: Delhi High Court Orders Injunction and Awards Costs

Case: Castrol Limited & Anr. vs Voltranic India Lubricants & Ors. [CS(COMM) 18/2020 & I.A. 20381/2022]

Forum: High Court of Delhi

Order Dated: November 30, 2023

Issue: Whether the defendants, M/s Voltronic India Lubricants and Ors. were infringing the registered trademarks of the plaintiffs?

Order: This case was filed by Plaintiff No.1 - M/s Castrol Ltd. and Plaintiff No.2 - M/s Castrol India Ltd. seeking permanent injunction restraining the Defendants from infringement of trademark and copyright, passing off, piracy of design, rendition of accounts of profits, damages, delivery up, acts of unfair competition etc.

The Plaintiffs are manufacturing and selling lubricants, oil, greases, and other related products used, among other things, in the automobile industry. Plaintiff No.1 was originally founded in 1890 in the United Kingdom as CC Wakefield & Co. By 1960, CC Wakefield & Co. changed its name to M/s Castrol Ltd.

The Plaintiffs had adopted the group mark ‘CASTROL’. The said mark has been used for over a century for various oils, greases, high-grade lubricants, and other related services in the automotive, industrial, marine and aviation sectors. Apart from the group mark ‘CASTROL’, the Plaintiffs also use various other marks, including ‘CASTROL ACTIV’, ‘ACTIV’, ‘RADICOOL’, ‘GTX’, ‘MAGNATEC’, ‘CASTROL POWER’ and ‘EDGE’. These marks are also registered in India. The Plaintiff’s earliest registration in India dates to 1942.

The plaintiffs submitted that in July 2019, plaintiffs first came to know about the Defendants, i.e. M/s Voltronic India Lubricants, Mr Anil Kumar Daria and Col. Vikram Rathore were infringing the registered trademarks of the Plaintiffs by selling identical products with the brand name ‘VOLTRONIC’, used in conjunction with the Plaintiff’s trademarks

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‘ACTIVE’, ‘RADICOOL’, ‘GTX’, ‘POWER 1’, ‘MAGNATEC’ and ‘EDGE’.

The plaintiffs claimed that their products are sold in distinctive containers, which the Defendants have also copied. The competing marks, labels and packaging used are set out below:

DEFENDANTS’ PRODUCTS	PLAINTIFFS’ PRODUCTS
	

Plaintiffs’ CASTROL ACTIV and variants	
Defendants’ VOLTRONIC ACTIVE and variants	

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The plaintiffs submitted that the Plaintiffs sent a cease-and-desist notice on 4th July 2019; however, a response still needs to be received. Afterwards, the Plaintiffs purchased the Defendants' product and found that the Defendants were selling counterfeit products. In view thereof, the Plaintiffs filed the present suit, and vide order dated 16th January 2020, the Court granted an ex parte injunction restraining the Defendants and appointed a local commissioner.

The Local Commissioner visited the Defendants' premises. However, he could gain entry to the premises only after breaking the locks with the help of the police on three occasions. There was no cooperation by the Defendants, and Defendant No.2 - Mr. Anil Kumar Daria completely denied having made any sales of the counterfeit products.

The Court opined that the Defendants are manufacturing and selling counterfeit products. Copying so many marks, labels, packaging, and containers is a deliberate act on behalf of the Defendants to gain monetarily by selling counterfeit products.

The Court also opined that there was counterfeiting of lubricants, greases, and oils used in automobiles, and any compromise in the quality of such products could have adverse consequences upon the customers. The Court set aside the order dated 16-01-2020 as the defendants were willing to pay the costs. Thus, the Court directed that a sum of Rs. 1 lakh be paid to plaintiffs as a cost by the defendants.

169. Transborder Reputation and Goodwill of a Trademark in India: The High Threshold Requirement

Case: Bolt Technology OU vs Ujoy Technology Private Limited & Anr. [FAO(OS) (COMM) 45/2023, CM APPL. 11380/2023]

Forum: High Court of Delhi

Order Dated: November 30, 2023

Issue: Whether the Defendant's use of the trademark '**BOLT'** in respect of EV charging stations in India was an act of passing off of the Plaintiff's products and services?

Order: The Plaintiff, Bolt Technology OU (formally known as Taxify OU), an Estonian Company filed a suit before the Delhi High Court against the defendant, Ujoy Technologies Pvt Ltd. The Plaintiff alleged that the Defendant's use of the trademark '**BOLT'** in respect of EV charging stations in India was an act of passing off of the Plaintiff's products and services. The Plaintiff argued that it conceptualized and adopted the brand "**BOLT"** in 2018 in connection with the services relating to ride hailing, food and grocery delivery, rental of cars, e-bikes and scooters and electric vehicles in over 45 countries in Europe, Africa, West Asia, South America and Latin America and through continuous use, the mark 'Bolt' has amassed considerable goodwill and reputation, being exclusively associated with its products and services. Further, campaigns were launched in February 2020 across various cities in India including Ahmedabad, Pune, Surat, Chennai and Kolkata on its mobile app. Thus, the Plaintiff claimed that the international reputation and goodwill of its trademark 'Bolt' had spilled over in India much before the adoption of the impugned mark by the Defendant and the Defendant should be restrained from using the mark.

The Defendant denied Bolt's claim that its mark 'BOLT' was entitled to be regarded as a 'well-known trademark' under Section 2(1) (zg) of the Trademarks Act, 1999. The Defendant submitted that it is the largest player in India in the EV charging stations market and that the Plaintiff is not engaged in the business of EV charging stations/docks and thus, does not enjoy any goodwill or reputation for the same. The Defendant submitted that the use of the mark 'Bolt' by the Plaintiff for EV charging docks/

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stations in Tallinn (Estonia), Lithuania and Portugal, cannot be considered as trans-border/ worldwide reputation having spilt over into India. The Defendant further submitted that it had adopted the mark BOLT for EV chargers since 2018 and by 2nd October 2020, the Defendant had introduced the trademark BOLT to the public at large by uploading public posts on social media platforms like YouTube and Instagram.

On 23rd February 2023, the learned Single Judge of the Delhi High Court refused to grant an interim injunction in favor of Bolt Technology in relation to the use of the trademark 'Bolt' for electric vehicle charging stations in India by the Defendant. The Court opined that the Plaintiff is not engaged in providing EV charging services anywhere in the world. The Plaintiff was using the mark 'Bolt', in the market of taxi-hailing services related to activities like food and grocery delivery and the like. The Court observed that in the EV-charging market, the plaintiff can claim to be the 'first, to use the mark. The Plaintiff has no business in India and establishing the tort of passing off first requires the Plaintiff to establish its goodwill and reputation in India, or that its goodwill and reputation garnered abroad is so considerable that it has spilled over into India. The Court further held there the Plaintiff has no market exposure in India and there is no spill-over of its trans-border reputation into India, to jeopardize the market, or the repute, that the Defendant has earned by use of the impugned mark, for providing EV charging services. Aggrieved by the denial of an ad interim injunction by the learned Single Judge, the Appellant/ Plaintiff filed an appeal.

The Division Bench of the Delhi High Court examined the legal principles and various precedents across different jurisdictions to consider whether goodwill and reputation are to be given distinct connotations. The court inter alia referred to the understanding in the case of *Intex Technologies (India) Ltd. & Anr. Vs. AZ Tech (India) Ltd*, where it has been explained that "reputation" is a matter of fact and its existence does not require that there should be a business in this country. However, there must be some business or market in this country for "goodwill" to exist.

The Court also stated that in the case of *Toyota Jidosha Kabushiki Kaisha v. Prius Auto Industries Ltd*, it was observed that while determining and answering the question of whether there has been a spillover of reputation and goodwill, the enquiry need not be confined to ascertaining the existence

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of a real market but the presence of the claimant through its mark within a particular territorial jurisdiction being sufficient. The presence of a mark in the market could well be established or proven on the basis of the extent of the promotion and advertisement of a well-known mark, the knowledge of the said mark amongst a sizable section of the concerned segment of the public and its reputation being found to have spilled over and be sufficiently grounded in the minds of consumers in India.

The Court inter alia observed that: (i) The Appellant also did not lead any evidence of the number of Indian consumers who had utilised its services while travelling abroad, (ii) the Appellant had failed to meet the tests of cross border reputation as enunciated in Toyota case, (iii) the Appellant failed to produce sufficient evidence to show that they had a trans-border reputation associated with their marks with regards to the same goods and business as the Respondent/Defendant in India; (iv) The Appellant may have been able to establish a limited knowledge and awareness of the bouquet of services offered on its platform, but failed to meet the test of significant and substantial reputational spill over. Thus, the Court upheld the order of the learned Single Judge and dismissed the appeal.

170. Dream11 Secures Victory in Trademark Infringement Case: Delhi High Court Grants Permanent Injunction and Orders Domain Suspension

Case: Sporta Technologies Pvt. Ltd. vs John Doe and Others [CS(COMM) 852/2023]

Forum: High Court of Delhi

Order Dated: November 30, 2023

Issue: Whether the defendants, operating under the mark "dreamz11," were infringing and passing off the registered trademark "Dream11" owned by the plaintiffs?

Order: Plaintiff 1, a wholly-owned subsidiary of Plaintiff 2, is the registered proprietor of the trade mark “Dream11”. Additionally, Plaintiff 2 manages the website www.dream11.com, offering fantasy games through these trademarks. The dispute arose when the defendants, operating under the mark “dreamz11”, were accused of infringing and passing off the plaintiff's registered trademark by providing similar fantasy game services through their website, www.dreamz11.com. The plaintiff argued that the defendant’s mark "dreamz11" was phonetically and deceptively similar to the registered mark "dream11". Furthermore, the plaintiffs argued that the defendant's website, www.dreamz11.com, was deemed confusingly similar to the plaintiffs' domain names, particularly www.dream11.com.

Notably, the plaintiffs pointed out that the defendants replicated a unique player arrangement on their platform, mirroring the arrangement featured on the plaintiffs' website. Further, the plaintiff also contended that access to the defendants' fantasy games app on their website is permitted, which is similar to the plaintiffs' method. Additionally, the process for downloading games on the defendant's website is identical to that of the plaintiff, and the defendants have also copied the plaintiffs’ Facebook posts on their Facebook page. Despite sending notices to cease infringing, the plaintiffs received no response from the defendants. Despite sending notices to cease infringement, the plaintiffs received no response from the defendants. In response, the plaintiff sought to block Defendant 1's domain name (dreamz11.com) through GoDaddy. Following a court injunction, GoDaddy

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suspended access to the domain; defendants 1 and 2 didn't respond to the suit, leading to the closure of the defendants' right to file statements.

The Court asserted that the facts of the case clearly indicated both infringement and passing off, emphasising the phonetic similarity between the marks "www.dreamz11.com" and the plaintiff's mark www.dream11.com. Citing the Pianotist test, the Court considered the look, sound, and context of the marks, as well as the nature of the goods and the likely customers to purchase those goods and services. The Court pointed out that the similarity in services (fantasy games) could lead to confusion, with the only difference being the terminal "z". The websites www.dream11.com and www.dreamz11.com add even more confusion. The defendants' intentional copy of the plaintiff's website, including player arrangements and similar attire, intensified the confusion. The defendants not only copied the plaintiff's app download process but also replicated the step-by-step guide on their website for accessing services. Additionally, they went so far as to duplicate the plaintiff's Facebook posts.

The Court stated that 'the similarities between the plaintiffs' and defendants' marks, the fact that they are used for providing identical services and the consequent likelihood of confusion on the part of the consumer, a clear case of infringement within the meaning of Section 29(2)(b) of the Trade Marks Act 1999 is made out.' Additionally, the Court applied the triple identity test due to the deceptive similarity of marks, shared customer base, and both marks being accessible through the same online source. The defendants' replication of the plaintiff's mark and the identical appearance of their website suggest a deliberate effort to confuse users into accessing the defendant's site instead of the plaintiff's, providing grounds for a finding of infringement. The Court further established that the confusion between the two websites and mobile apps was heightened by the likeness in design and overall user experience of the defendants' website. In continuance, the Court stated that it is evident that the defendants had purposefully and knowingly imitated their website to resemble that of the plaintiffs closely. The Court noted that Defendants 1 and 2 were not represented throughout the proceedings. Consequently, the plaintiffs were granted a favourable decree. Accordingly, the Court ordered a permanent injunction, restraining the defendants and anyone acting on their behalf from using the mark "dreamz11" or any similar variant thereof as a trade mark, trade name, domain name, part of their e-mail ID, or any other way. Specifically, Defendants 1 and 2 were restrained from using the domain name "dreamz11.com" or operating the website www.dreamz11.com and Defendant 3 was instructed not to register the domain name "dreamz11.com".

171. Low Threshold of Confusion between TUMORIN and TUMOTIN

Case: Bhargava Phytolab Pvt. Ltd. vs LDD Bioscience Pvt. Ltd. [CS(COMM) 383/2023, I.A. 10923/2023, I.A. 19841/2023 & I.A. 20256/2023]

Forum: High Court of Delhi

Order Dated: November 30, 2023

Issue: Whether the use of the mark TUMOTIN by the defendant is an infringement of the registered trademark TUMORIN of the plaintiff?

Order: In this case, the plaintiff sought an interlocutory injunction against the defendant to restrain the use of its mark **TUMOTIN**. The plaintiff submitted that it was a registered proprietor of the mark **TUMORIN** in class 5 for homeopathic preparations, which was intended to cure benign growth. The plaintiff further submitted that the sales for the product under its trademark **TUMORIN** in the year 2019-20 itself exceeded INR 2 crores. It was alleged that the defendant was using a deceptively similar mark, **TUMOTIN**, for homeopathic preparations, with the only difference being that the plaintiff's product, under their mark, **TUMORIN**, was safe for lactating mothers.

Further, it was also submitted that the defendant has used their mark since 2020, whereas the plaintiff has been continuously using its mark since at least 2018. The defendant argued that they were a pioneer in the field of homeopathic preparations for the last 40 years and had been using the mark **TUMOTIN** for the last three years. The defendant alleged that the plaintiff had acquiescence to the use of the defendant's mark since three years had passed from when the defendant had been using its mark. Further, the defendant raised objections against the validity of the Plaintiffs' prior registered mark under Section 11 (1)(b) of the Trade Marks Act, 1999 ("the Act") by stating that there already existed the mark **TUMOCIN** in the Trade Marks Register and thus, plaintiff's mark should not have been granted registration.

Further, the defendant also objected under Section 9 (1)(b) of the Act, contending that the plaintiff's mark was descriptive of the ailment it sought to cure and was a combination of two English dictionary words, "TUMOR" and "IN". However, candidly and inadvertently, the defendant also mentioned that the products under the two sets of the mark were sold in the same stores/outlets selling homeopathic remedies.

The Court heard both sides and observed that the various circumstances in which a trademark was found to be infringed were listed in Section 29 of the Act. Further, the Court stated that in the case of comparing two-word marks, the phonetic similarity between the two played an important role, and in the present case, the marks **TUMORIN** and **TUMOTIN** were deceptively/closely similar, and the words rhymed as well. The difference of a letter within the marks was held to be a mere cosmetic change having no effect. Further, the defendant's mark was also intended to be used for homeopathy medicines similar to the plaintiff's products under its mark **TUMORIN**.

The Court also relied on the "*triple identity test*" to conclude if any likelihood of confusion between the two marks existed. The "*triple identity test*" laid out three requisites, which included the marks being similar/identical, the marks catering to the same consumer base, and the product under the said marks being available in the same store/outlet. In the present case, all three requisites were available as the marks were phonetically, visually and structurally similar. Further, the products under the said marks were being used for homeopathy medicines, and lastly, the defendant candidly admitted that the products under both sets of trademarks were sold in the same stores/outlets.

It was also observed that since homeopathy medicines were not "Schedule H" drugs, they did not require a doctor's prescription and were capable of being bought across the counter. Thus, the likelihood of confusion amongst the class of consumers buying them would be immense and could not be overlooked. The Court also held that the plaintiff emerged victorious in overcoming the mark **TUMOCIN**. It is also pertinent to note that the Court relied on the judgement *Cadila Healthcare Ltd. vs. Cadila Pharmaceuticals Ltd.* and observed that the coining of marks for pharmaceutical preparations was generally based on the ailment or the organ or the composition of the preparation and was intended to facilitate persons, who prescribed such preparations, or who dispensed such medicines, to easily recollect the name of the medicines.

Thus, it cannot be said that the plaintiff's mark, **TUMORIN**, was descriptive under Section 9 of the Act. Further, the Court also held that where infringement was seen to exist, mere delay in approaching the Court was no impediment against the grant of an injunction, and acquiescence as a ground to disentitle the plaintiff's claim for infringement only existed when there would have been a delay for a continuous period of five years since the use of the defendant's mark.

Thus, the Court held that the plaintiff was successful in establishing a *prima facie* case against the defendant seeking an interlocutory injunction. However, an application was filed to refer the case to mediation, and the case was referred to the mediation centre for the next date on February 28, 2024.

172. Three is a Crowd: The Triple Identity Principle

Case: Banyan Tree Holdings Limited vs M/S Angsana Thai Spa & Ors [CS(COMM) 912/2022, CCP(O) 29/2023 & I.A. 15523/2023]

Forum: High Court of Delhi

Order Dated: December 1, 2023

Issue: Whether the use of ANGSANA THAI SPA by Defendant for identical services infringes upon the mark 'ANGSANA' of Plaintiff?

Order: The Plaintiff, Banyan Tree Holdings, being the proprietor of the mark ANGSANA in connection with hospitality services such as resort and spa services, had secured registrations in Classes 16, 21, 24, 25, 41, 42 and 43, which have been in use since the year 2000. Plaintiff, being aggrieved by the usage of ANGSANA THAI SPA by Defendant for identical services and use as a domain name, instituted a suit praying for an injunction, which was granted on account of the balance of convenience being in favour of Plaintiff. Subsequently, the Plaintiff filed an application seeking summary judgment before the Delhi High Court.

The Court considered the elements of the rival marks.

	PLAINTIFF	**DEFENDANT**
WORD	ANGSANA	ANGSANA THAI SPA
ELEMENTS		

The Court stated that using an identical name for identical goods/services was a violation of the Plaintiff's statutory and common law rights and would result in an erosion of the Plaintiff's goodwill. The Court observed that the rival marks were identical, used for identical goods/services and used in the same business channels and confirmed that it satisfied the requirements of the triple identity principle used in determining the likelihood of confusion. The Plaintiffs submitted photographs where the mark was conspicuously displayed at the Defendant's property and prayed for an injunction against the Defendant.

The Court considered the unrestrained usage of the mark by the Defendants and passed an order for a permanent injunction against the Defendants and directed them to transfer the domain name to the Plaintiff. This judgement reiterates the importance of the triple identity principle and provides clarity in the manner of assessment of the likelihood of confusion.

173. Injunction Granted Against Mankind Pharma for Infringing ‘SU-MAG’ Mark

Case: Hind Chemicals Ltd. vs Mr Rajesh Chawla & Ors. [CS(COMM) 180/2018, I.As. 10823/2006, 12232/2006, 12233/2006 & 1136/2007]

Forum: High Court of Delhi

Order Dated: December 1, 2023

Issue: Whether the adoption of the mark 'GUDMAG' by the Defendant, which is similar to the mark 'SUMAG' of the Plaintiff, constitutes trademark infringement?

Order: The Plaintiff, Hind Chemicals, holds the registration of the trademark 'SU-MAG' and has been using it since 1949 for a cream-based product marketed as 'SU-MAG' ointment. Defendant 3 & 4-Lifestyle Pharma Pvt. Ltd. has merged with Mankind Pharma Ltd.

Plaintiff asserts that ‘SU-MAG’ ointment is a significant part of its product line, constituting approximately 93% of manufacturing business and overall sales in 2005-06. The medical ointment ‘SUMAG’ is recommended medicine and is widely available throughout India. In addition to 'SU-MAG',' the Plaintiff manufactures various other products such as ‘MAG-MAG’, ‘CREMOBAR’, ‘COFEX’, ‘GLYCERIN’, ‘SUPPOSITORY’ and ayurvedic products like *‘Livzon Syrup and Capsule’ and ‘Imminex Syrup and Capsule’.*

Since 1950, the Plaintiff claims that ‘SU-MAG’ has been packaged in a container featuring original artistic work, layout, a distinct get-up, and a peculiar schematic arrangement of various features such as circles, frames, text font and colour, blocks, and a distinctive and unique colour scheme of white, orange, and grey. Moreover, the packaging prominently displays the 'SU-MAG' mark. The Plaintiff also holds a copyright for this unique and distinct packaging. The Plaintiff alleges that defendants who are engaged in the business of manufacturing allopathic and ayurvedic pharmaceutical preparations have adopted the 'GUDMAG' mark for an identical composition; not only does this mark replicate the 'SU-MAG' mark on the container, but it also duplicates the wrapper label, containing original artistic elements and distinctive colour scheme of white, orange, and grey colours of the Plaintiff's product.

In 2006, the Court granted an ex-parte interim injunction. According to the evidence presented, the Plaintiff's witness stated that he received sales information from the Plaintiff’s accounts branch but did not personally verify the sales figures. The Defendant's witness stated that he didn’t identify competitors for ‘GUDMAG’ products and only searched for the trademark. Additionally, they claimed that he was not aware of the Plaintiff’s product ‘SU-MAG’.

The Court observed in the present case that the plaintiff's and defendant's packaging had almost identical colour combinations. After scrutinizing the packaging and marks, the Court concluded that the defendants had attempted to imitate the well-known packaging of the Plaintiff, which has been in use since 1967. Consequently, the Court decreed the present Suit in favour of the Plaintiff, awarding Rs.3 lakhs as damages and directing the sum of Rs.5 lakhs within three months, failing which the Plaintiff is free to execute the present decree.

174. Tata Sons Not to Use XPERT Mark of Plaintiff

Case: RSPL Limited & Anr. vs Tata Sons Private Limited & Ors. [CS(COMM) 312/2020]

Forum: High Court of Delhi

Order Dated: December 1, 2023

Issue: Whether the Defendants' use of mark "" constituted trademark infringement and passing off?

Order: The Plaintiffs RSPL Ltd. & Anr. filed this case, seeking permanent injunction restraining trademark infringement and passing off. The case of the Plaintiffs is that in 1975, Plaintiff No.1 - RSPL Ltd., through its predecessor, adopted the trademark DEVICE OF GHARI/WATCH/CLOCK in relation to soap/detergent. Plaintiff No.2 - RSPL Health Private Limited, through its predecessors, originally conceived, coined, and adopted the trademark/label trade dress XPERT in the year 1993 in respect of manufacturing and marketing of washing soaps, washing powder, detergent cakes, toiletries, bleaching preparations and substances for laundry.

The Plaintiffs' grievance, in this case, is the use of the mark EXPERT and depiction of the partial clock on the detergent packaging of the Defendants, as well as the use of the word expert and the use of the elongated X and DX. The same are extracted below:

The case of the Plaintiffs is that its trademark GHADI, used for detergents, relates to and connotes a watch/clock. Thus, the use of the depiction of a partial clock device for detergent products of the Defendants would violate the Plaintiff's right in the mark GHADI. The conflicting marks are

The defendants submitted that they are willing to give up the words EXPERT and XPERT concerning soaps, detergents and substances for cleaning and laundry use. In addition, the Defendants are willing to depict the circular device without the yellow portion and make the entire circle red and blue without depicting a partial clock.

The Court noted that this Suit was filed in 2020 and summons were yet to be issued. Parties were in mediation to resolve the disputes amicably. In view of the above stand of the parties, the dispute was resolved in the following terms:

a) The Defendants shall cease use of the partial clock device and use a red/blue circular device for depicting/encircling the expression '15 minutes. It will be ensured that the modified device does not look similar to a clock/watch.
b) The letters DX shall be used without the elongated `X' as in the Plaintiff's `XPERT' mark.
c) The Defendants shall not use the word XPERT as a trademark but shall only use the word EXPERT in a non-trademark sense in a descriptive manner.
d) The Defendants shall also not use the DX along with an elongated X, and DX shall be used in a normal font.
e) The Defendants shall withdraw the trademark applications, which consist of the partial clock device and an elongated X bearing nos. 4030559, 3986893, 3986892, 3979697 and shall not claim any copyright over the labels that are the subject matter of the said trademark applications/registrations.

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175. Delhi High Court Order for Cancellation of Identical Mark in Public Interest

Case: Indramal M Solanki vs Rakesh Gupta and Anr [C.O. (COMM.IPD-TM) 369/2021]

Forum: High Court of Delhi

Order Dated: December 1, 2023

Issue: Whether the impugned mark 'EL PASO' registered by Respondent No. 1 is identical or similar to the Petitioner's marks 'ELPASO' and 'ELpaso.'?

Order: This rectification petition under Section 57 of the Trademarks Act, 1999, was filed by the Petitioner-Indarmal M Solanki seeking cancellation of the mark 'EL PASO' bearing trademark no. '1553984' dated April 30, 2007, in Class 25, registered in the name of Respondent No. 1- Sh. Rakesh Gupta. The Petitioner's grievance was that the Petitioner is the registered proprietor of the marks 'ELPASO' and 'ELpaso' for readymade garments, both under Class 25 bearing application nos. 2111871 and 2111872. The Petitioner adopted the mark 'ELPASO' in May 1996.

The Court noted that notice had been issued in this matter on several occasions, i.e., January 18, 2018, July 12, 2022, and January 18, 2023, and Respondent No.1 was served on April 10, 2023. The Court stated that the impugned mark 'EL PASO' was identical to the Petitioner's mark and was intended to be used for identical goods in Class 25. Targeting the same consumer segment, the impugned registration could cause public confusion. Therefore, the Petitioner was aggrieved under the Trademarks Act, 1999, and the impugned registration would be violative of Sections 9 and 11 of the Trademarks Act, 1996.

The Petitioner submitted that the impugned mark had not been renewed by Respondent No.1 since April 30, 2017. Accordingly, the mark is liable to be removed from the register in terms of Section 47 of the Trademarks Act,

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1999. The impugned mark was valid until April 30, 2017, and has not been renewed.

The Court concluded that Respondent No.1 has chosen not to appear in the proceedings despite repeated notices. Considering these circumstances, the impugned mark 'ELPASO' bearing no. '1553984', dated April 30, 2007, deserves to be removed/cancelled. The Court further held that the order cancelling the mark ‘ELPASO’ and removing the same from the Register of Trademarks be reflected on the website of the office of CGPDTM within four weeks.

176. CNN vs. City News Network: Delhi High Court Preserves the Well-Known Trade Mark

Case: Cable News Network vs City News [CS(COMM) 272/2021 & I.A. 7235/2021]

Forum: High Court of Delhi

Order Dated: December 4, 2023

Issue: Whether the use by the Defendant of the mark is an infringement of the trademarks , of the Plaintiff?

Order: The Plaintiff, owner of the registered "CNN" trademarks for news services since 1989, asserted claims against the two Defendants. Defendant 2's matter was resolved through court-sponsored mediation, culminating in a settlement agreement dated August 3, 2023. Under this agreement, Defendant 2 acknowledged Plaintiff's ownership of the well-known CNN trademarks and agreed to refrain from using similar marks or actions that could cause confusion. The Court approved this settlement as lawful and concluded the dispute between Plaintiff and Defendant 2, also ordering a 50% refund of court fees paid by Plaintiff for this matter.

Defendant 1 chose not to participate in the legal proceedings, filing no written response or appearing before the Court. The Court examined Plaintiff's assertions and found Defendant 1, operating from Lucknow, using identical marks and for news services, thereby encroaching upon Plaintiff's registered trademarks , and ‘CNN’.

The Court's analysis established Defendant 1's use of identical marks for similar services violated the Trade Marks Act of 1999 by causing a likelihood of consumer confusion between Plaintiff and Defendant 1's services. As a result, the Court issued a permanent injunction against Defendant 1, mandating the removal of specified websites and social media pages using the infringing marks. Additionally, Defendant 1 was directed to pay costs of INR 7 lakhs to Plaintiff, approximately 50% of Plaintiff's litigation expenses.

177. Use of Keywords Does Not Amount to Trademark Infringement

Case: Google LLC vs Makemytrip (India) Private Limited and Ors. [CS(COMM) 863/2023]

Forum: High Court of Delhi

Order Dated: December 4, 2023

Issue: Whether Booking.com's use of the trademarks "MakeMyTrip" and "MMT" as keywords in Google Ads constituted trademark infringement, unfair competition, or passing off, as alleged by MakeMyTrip (India) Private Limited?

Order: This appeal was filed by appellant Google LLC against an ad interim order dated 27.04.2022 (hereafter 'the impugned order') passed by the learned Single Judge in IA No. 6443/2022 filed under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 in CS (COMM.) 268/2022 which was filed by the Respondent MakeMyTrip (India) Private Limited – hereafter 'MIPL' for permanent injunction restraining infringement of its trademarks, passing off, dilution of goodwill, unfair competition and rendition of accounts of profits/damages etc.

Google is a company incorporated under the laws of the United States of America and manages the Google Search Engine and its country-specific. Google also manages and operates an advertisement program in conjunction with the search engine to display sponsored links and advertisements on the search engine result page.

MIPL is a company registered under the Companies Act of 1956. MIPL was initially incorporated as Travel by Web Pvt. Ltd. on 13.04.2000. However, subsequently, on 02.08.2000, it changed its tradename to MakeMyTrip.com Pvt. Ltd. Thereafter, on 28.06.2002, it changed the name to MakeMyTrip (India) Pvt. Ltd., which is its current name. It commenced its business initially with airline ticket bookings but has now grown to be one of the largest travel companies in India. MIPL claimed that it is a registered proprietor of several trademarks, including word marks, as set out in the plaint. This includes the word marks ‘MakeMyTrip’ and ‘MMT’.

MIPL filed the Suit, alleging that the use of its trademarks ‘MakeMyTrip’ and ‘MMT’ as keywords in the Google Ads Program for displaying the links/ads of Booking.com constitutes infringement of its trademarks under Section 29 of the Trademarks Act, 1999. MIPL claimed that it used the Google Ads Program to display its advertisements. MIPL was aggrieved by Booking.com bidding for its trademarks as keywords to display their advertisements. According to MIPL, the same constitutes infringement of its trademarks.

The Single Judge prima facie accepted MIPL’s contention that the use of the mark ‘MakeMyTrip’ as a keyword by its competitor Booking.com constitutes infringing use under Sections 2(2)(b), 29(4)(c), 29(6)(d), 29(7) and 29(8)(a) of the Trademarks Act. The learned Single Judge reasoned that the use of MIPL’s mark by Booking.com constituted the use of MIPL’s trademarks for the purposes of advertising. The learned Single Judge also observed that Google was encroaching upon the goodwill of MIPL by allowing its competitor to book MIPL’s trademarks as keywords. The Single Judge prima facie observed that this practice of using trademarks as keywords amounted to taking unfair advantage of MIPL’s trademarks and fell foul of Section 29(8) of the Trademarks Act. Additionally, the learned Single Judge also observed that, as a matter of principle, the use of the keyword can constitute passing off.

The Court relied on Google LLC v. DRS Logistics (P.) Ltd. and Ors\ In the said case, the Court held that the use of trademarks as keywords would amount to use by Google, as well as the advertiser. The Court held that the use of marks as keywords would not amount to use as trademarks. Therefore, the use of such marks as keywords does not constitute infringement under Section 29(1) of the Trademarks Act. In addition, this Court had held that the trademarks as keywords are used in connection with the goods and services of the advertiser. Thus, if the goods and services advertised covered under the sponsored link and those covered under the trademark are similar, Section 29(4) of the Trademarks Act would have no application. This Court had rejected the contention that the use of trademarks as keywords per se constitutes infringement of the trademark.

There was nothing illegal in Google using the trademarks as keywords for display of advertisements if it did not result in any confusion or mislead internet users to believe that sponsored links or Ads displayed were associated with the proprietors of the trademarks. Thus, the use of trademarks as keywords, absent any confusion or unfair advantage, would not infringe the trademark.

This Court noted MIPL's contention that when a user searched for 'MakeMyTrip', in seven out of ten cases, Booking.com's sponsored link appeared in the second position to MIPL's link. Thus, it was apparent that Booking.com also bids for MIPL's trademarks as keywords. The Court further noted that a search for MIPL's name or its trademarks using Google's search engine would show MIPL's web address in organic search results on the SERP. The Court did not accept MIPL's contention that Booking.com's advertisements or links should not be visible as sponsored links on the SERP.

The Court opined that Booking.com was a well-known and popular platform offering travel services, and thus, prima facie, it could not be accepted that an internet user was likely to be misled into believing that the services offered by Booking.com were those of MIPL. The Court held that the Single Judge's view that the use of the trademark 'MakeMyTrip' as a keyword by Booking.com, which was one of its major competitors, would amount to infringing use under Section 29(4)(c) of the Act, was erroneous. This was because the services offered by Booking.com were similar to the services covered by MIPL's trademarks, and in these circumstances, Section 29(4) of the Act would not be applicable.

The Court again relied on Google-DRS Logistics Case (supra) and opined that it could not accept the view that ex facie, the use of MIPL's trademark 'MakeMyTrip' as a keyword falls foul of Section 29(8) of the Act as it amounted to unfair advantage and was contrary to the honest practices in industrial or commercial matters and thus, constituted infringement under Section 29(8) of the Act. The Court opined that "use of trademarks as keywords by competitors absent any confusion or deceit, did not per se amount to infringing use".

The Court opined that in the present case, the use of trademarks as keywords could not, by any stretch, be construed as applying the registered trademark to any material intended to be used for labelling or packing goods, as a business paper, or for advertising goods or services.

The Court noted that neither Google nor the advertiser applied for the trademark on any material, and neither of them did so on any material intended to be used for the labelling or packaging of goods or as a business paper.

The Court opined that there was no application to any material for advertising goods or services and thus set aside the impugned order passed by the Single Judge.

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178. Protecting the Trademark "Burger King" against Fraudulent Websites and Domain Names

Case: Burger King Corporation vs Swapnil Patil and Ors. [CS(COMM) 303/2022 & I.A. 24159/2023]

Forum: High Court of Delhi

Order Dated: December 4, 2023

Issue: Whether the defendants engaged in fraudulent activities by promoting Burger King franchises through misleading domain names and websites, unlawfully exploiting Plaintiff's brand and trademarks, and deceiving individuals by collecting money under the guise of offering franchises?

Order: The Plaintiff, Burger King Corporation, was established in 1954 and is currently the world's second-largest quick-service restaurant company, operating over 18,000 restaurants in approximately 100 countries, with over 250 outlets in India. The Plaintiff asserted that its trademark and name, "Burger King", along with distinctive logos and , have been extensively used in relation to its restaurants and restaurant services since 1954. The Plaintiff holds 1040 domain name registrations, including www.burgerking.com (registered in 1994), www.bk.com (registered in 1998), and India-specific domains like www.bkdelivery.in (registered in 2015) and www.burgerkingindia.in. The Plaintiff's brand has gained a strong reputation and goodwill globally and in India, where the trademarks "BK", "Burger King", and associated logos are exclusively associated with the Plaintiff.

The defendants are engaged in fraudulent activities by falsely promoting Burger King franchises through misleading domain names and websites and unlawfully exploiting the Plaintiff's brand and trademarks. According to Plaintiff, the defendants deceitfully marketed fake franchises under Burger King's trademarks, deceiving unsuspecting individuals and duping them of large sums of money.

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The Court, in several previous orders dated May 10, 2022, July 28, 2022, December 21, 2022, February 1, 2023, February 20, 2023, April 19, 2023, etc., has noted that Several domain names, websites, and related bank accounts were used for fraudulent activities, involving the illegal use of the Plaintiff's brand and marks to deceitfully collect money. The Court granted the Plaintiff an interim injunction against the defendants after determining that there was a prima facie case and that the Plaintiff had the greater balance of convenience. The defendants were restrained from providing services or using or registering business or domain names using the mark/name “Burger King” or the logos for any purpose, including collecting money under the guise of giving franchises under the Plaintiff's brand name.

Furthermore, the Court directed domain name registries, including GoDaddy.com LLC and Fast Domain Inc., to suspend or block the concerned domain names, making the corresponding phony websites inaccessible. The National Internet Exchange of India (NIXI) has been instructed not to allow any domain name/website with the extension '. Co.in’ or ‘.in’ having the mark “Burger King” with the words ‘Burger’ and ‘King’ combined. The Cyber Cell/ Intelligence Fusion and Strategic Operations (IFSO) Delhi Police was given authorization to examine provided cell phone numbers and retrieve Call Detail Record (CDR) records from telecom service providers, including Bharti Airtel, Reliance Infocom Ltd., and Bharat Sanchar Nigam Limited and investigate the matter. For the identified domain names/websites, the Ministry of Electronics and Information Technology (MEITY) and the Department of Telecommunications (DoT) were instructed to issue immediate blocking orders. In addition, a Mareva injunction was granted to freeze the connected bank accounts.

The matter came up again before Justice Pratibha Singh when Burger King came across newly operating websites engaging in fraudulent activities to defraud the public in general with invitations for franchises. The current application is to obtain an injunction against two specific domain names, www.burgerkingfranchisesindia.co.in and www.burgerkingfoodindia.com. These websites are identical to previously restrained domain names by the Court and are actively involved in marketing phony franchises and collecting money, similar to actions performed by previously restrained anonymous defendants. In addition, the Plaintiff seeks a Dynamic Plus injunction against numerous domain name registrars, the Ministry of Electronics and Information Technology, and the Department of Telecommunications (MEITY/DoT), which will help the Plaintiff report fraudulent franchise websites and render a prompt response through blocking, locking, or suspension.

Recognizing the dynamic nature of website duplication, particularly the development of mirror websites quickly after the injunction on earlier ones, Plaintiff cited *UTV Software Communication Ltd. and Ors v. 1337x.to and Ors*. In order to stop similar fraudulent acts from happening again, Plaintiff underlines the importance of taking preventive measures. In the aforementioned case, the Court affirmed its authority to order MEITY, DoT, and ISPs to take action to stop current infringements and prevent the ones that may emerge in the future. Here, the Court granted a permanent injunction prohibiting the defendant websites from hosting, streaming, and copyrighted content held by the plaintiffs and ISPs were directed to prohibit access to certain websites.

Subsequently, in *Universal City Studios LLC. & Ors. v. Dotmovies. baby & Ors*, the Court stressed the necessity of effective and dynamic injunctions and recognized the dynamic nature of website duplication. It was observed that rogue websites could still be accessed via VPN servers and other means even when ISPs blocked them. In this case, the Court granted an ex parte ad interim injunction to prevent rogue websites from streaming copyrighted content of the plaintiffs, including future works, from being reproduced, distributed, or made available online. This 'Dynamic+ injunction' was intended to safeguard copyrighted works as soon as they were created, saving copyright holders from irreversible loss.

Given the wider ramifications of the defendants' actions and aiming to protect both the market's integrity and consumer welfare, the Court granted an injunction to prevent the restricted websites and their operators from using the aforementioned domain names or any others that contain the mark "BURGER KING" or the words 'Burger' and 'King' together. Given the dynamic nature of website duplication, notably the quick creation of mirror sites following the issuance of injunctions against earlier ones, the Court granted a Dynamic+ Injunction. The intention of this action is to swiftly protect the rights of the Plaintiff and respond promptly to any infringing activities by the Defendant.

Plaintiff, by submitting an affidavit, can apply for impleadment under Order I Rule 10 CPC against any newly discovered domain names or websites advertising phony franchises using the “BURGER KING” mark. The Joint Registrar, after examining the document, may extend the injunction orders accordingly. Additionally, the Court directed MEITY to ban the two aforementioned domain name websites, and subsequent enforcement is to be ensured by NIXI and ISPs. The MEITY/DoT has also been directed to issue blocking orders for any information they receive on phoney franchises or websites in relation to Plaintiff's mark. Websites like GoDaddy.com LLC have been directed to lock/suspend the domain names www.burgerkingfoodindia.com and www.burgerkingfranchiseindia.co.in and to disclose any information they may have on the registrant. Furthermore, the Court has ordered Canara Bank to freeze the concerned bank account and to halt any activities such as withdrawals. The matter is also communicated to the Cyber Cell, which is already overseeing similar matters and issuing freezing orders.

179. The “A to Z” of Trademark Infringement in Identical and Phonetically Similar Marks

Case: Alkem Laboratories Ltd vs Medox Lifesciences & Ors. [CS(COMM) 863/2023]

Forum: High Court of Delhi

Order Dated: December 4, 2023

Issue: Whether the use of the mark "A 2 Z" by Defendant is an infringement of the mark "A TO Z" of Plaintiff?

Order: This case was filed by the Plaintiff Alkem Laboratories Ltd. against Medox Lifesciences and its partners, i.e., Defendant No. 2 - Tarun Pal Singh Jaggi & Defendant No. 3- Ravinder Pal Singh Jaggi as also its manufacturer Defendant No. 4- Shivaay Nutraceuticals seeking enforcement and protection of its mark 'A TO Z' used in respect of pharmaceutical and nutraceuticals preparations.

The case of the Plaintiff is that it was established in the year 1973 and is one of the leading pharmaceutical companies in India with a global presence. It manufactures a large range of pharmaceutical and nutraceutical products in various segments. It is stated that the Plaintiff has a portfolio of over 800+ brands, covering all major therapeutic segments, with 6 of the brands featuring among the top 100 pharmaceutical brands in India. One of Plaintiff's range of pharmaceutical preparations is sold under the brand 'A TO Z', which was adopted in 1997 along with a distinctive logo, .

The mark was used by the Plaintiff with respect to multi-vitamin health supplements in tablets, capsules, and syrup form. 'A TO Z' nutritional supplement tablets are stated to be extremely popular health supplements, and the Defendants have copied the mark 'A TO Z' for identical products. The Plaintiff issued a legal notice to the Defendants on December 8 2022, to cease and desist the use of the identical mark for pharmaceutical preparations.

The Defendant assured that it would cease the use of the mark/name A TO Z within three months. Plaintiff submitted that despite giving the above assurance, the Defendants have now adopted the mark 'A 2 Z' and are trying to continue encashing on the reputation of Plaintiff's mark. A comparison of the two products' labels and packaging is set out below:

The Court noted that the product names were almost identical, and the products were identical. Further, the phonetic similarity of the two product names was uncanny, considering the fact that Plaintiff's mark has been in use for more than 25 years now and has built a substantial reputation. The Defendants' use of a similar name/ mark not only raises concerns about potential confusion but also suggests an attempt to free ride on the Plaintiff's established reputation.

The Court stated that under such circumstances, the Plaintiff has made out a prima facie case in its favour for the grant of an ex parte ad interim injunction, as there is a complete possibility of the Defendants' products being mistaken as the pass of as that of Plaintiff's products. Considering the products in question are pharmaceutical and nutraceutical products, the balance of convenience is also clearly in favour of the Plaintiff. Accordingly, the Court held that the Defendants and anyone else acting on their behalf should stand restrained from using the impugned marks 'A TO Z' or 'A 2 Z' or any other mark which is identical and confusingly similar to the Plaintiff's mark A TO Z as also the accompanying device in respect of pharmaceutical, nutraceutical, medicinal supplements or any other allied or cognate goods or services. The Defendants shall also stand restrained from using the identical or imitative colour combination and packaging as the Plaintiff's 'A to Z' product packaging and colour combination.

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180. Delhi High Court Emphasises Procedural Fairness in Trademark Refusal Appeals

Case: NIF Private Limited vs Registrar of Trademarks [C.A.(COMM.IPD-TM) 29/2021]

Forum: High Court of Delhi

Order Dated: December 5, 2023

Issue: Whether the rejection of Application no. 2665269, seeking registration of a device mark in class 29, by the registrar of a trademark under Sections 9/11 of the Act is justified?

Order: This appeal was filed by the Appellant NIF Private Limited against orders dated September 18, 2018, and January 8, 2019, passed by the Senior Examiner in the office of the Registrar of Trademarks. These two orders pertain to a time in which orders of rejection of applications seeking registration of trademarks used to be passed in an unreasoned fashion, with a note that the Applicant could, if he so desired, apply separately to obtain the reasons for rejection. It was only where such an application was filed that a separate order provided the reason. Thus, the two orders under challenge, September 18, 2018, and January 8, 2019, have come to be passed.

The Court noted that this unhappy practice of first communicating an unreasoned rejection order and, thereafter, providing the grounds of rejection on the Applicant's specifically applying for the said purpose under Rule 36(1) of the Trademark Rules was no longer being followed.

The Court stated that the order dated September 18m 2018, merely cited Sections 9 and 11 as grounds for rejecting the Appellant's application. Subsequently, by the communication dated January 8, 2019, Section 11 has apparently been given up as a ground for rejecting the Appellant's application and the rejection is sought to be based on Section 9(1)(a) and 9(1)(b).

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However, apart from merely reproducing the two provisions, the order did not elucidate how the said provisions were applicable or why the Appellant's application was liable to be rejected on the basis of the said provisions. As such, both orders were unreasoned, and they cannot, therefore, sustain.

The Court, accordingly, quashed and set aside the order dated September 18, 2018, and communication dated January 8, 2019. Application No. 2665269 of the Appellant was remanded for de novo consideration by the office of the Trademarks Registry to be assigned to a competent officer to make a fresh decision on the application.

The Court also held that the Appellant should be entitled to an opportunity for a hearing before a decision is taken. The trademark Registry would communicate the date of hearing to the appellant/applicant within one week from today and make a positive decision on the application within three weeks.

181. Delhi High Court Restricts Defendant from Using Mabelle Mark on Invoices or Business Communication

Case: M/S Loreal S.A. vs Ravi Gandhi & Anr. [FAO (COMM) 116/2023]

Forum: High Court of Delhi

Order Dated: December 7, 2023

Issue: Whether the District Judge's modification of an injunction, allowing the defendants to use the trademark "MABELLE" in their company name and on invoices/business communications, was justified?

Order: This appeal was filed by the Appellant challenging the order of February 22, 2023, wherein the District Judge modified the injunction dated September 27, 2022, operating on the Suit and modified it to the extent of enabling the defendants to permit the use of the trademark "MABELLE" as part of their company name and on their invoices/business communications.

The Court noted that undisputedly, the injunction of September 27, 2022, restrained the respondents from using the trademark "MABELLE" on any of their products. The sole question that, therefore, arises is whether circumstances warranted and justified a modification of the injunction that operated and thus enabled the defendants to use the word "MABELLE" as part of their company name.

The Court further noted that the District Judge appeared to have proceeded on the premise that since "MABELLE" forms part of the corporate name of the Respondent, they would have the right to use the same. The aforesaid conclusion loses sight of Section 16 of the Companies Act 2013, which, too, does not confer blanket protection upon the use of words forming part of a corporate name. In fact, as per those provisions, the Central Government is obliged to initiate proceedings for rectification if it is brought to its attention by a registered proprietor of a trademark that the name is identical with or too nearly resembles a registered trademark.

The Court relied on the decision of the case Novakind Bio Sciences Private Limited vs. Mankind Pharma Limited and opined that the use of the word

"MABELLE" even as a part of the corporate or business name of the second Respondent and on their invoices/business communications would fall within the ambit of Section 29(6)(d) of the TM Act. The use of the mark as a mast in business communications would clearly constitute a solicitation and an attempt to derive benefits associated with the mark.

Accordingly, the Court allowed the appeal and the impugned order dated February 22, 2023, was consequently set aside. It was, however, observed that the view the Court took was merely restricted to evaluating the merits of the order impugned. The present order, made in the context of interim injunction proceedings, was thus neither intended nor liable to be read as a conclusive determination on the issues raised or impacting the rights and contentions of parties in the Suit.

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182. Suppression and Concealment of Facts – Plaintiff Loses over "RAVINDRA" Mark

Case: Ajay Polymers vs Vibhor Aggarwal Trading as Feenulex Hitech Amritsar [CS(COMM) 667/2023]

Forum: High Court of Delhi

Order Dated: December 7, 2023

Issue: Whether the Plaintiff, who filed a trademark infringement case against the Defendant for the mark "RAVINDRA," had engaged in suppression of material facts and fraudulent conduct?

Order: This suit was filed for the trademark "RAVINDRA", in which the Plaintiff claimed rights in 2013. The said mark is stated to have been used for PVC Pipes, Fittings, Water Storage Tanks, Pressure Pipes, SWR Pipes, Conduit Pipes, Column Pipes, Plumbing Pipes, Casing Pipes, CPVC Pipes, etc.

The Defendant is also stated to be engaged in the manufacture and sale of goods similar to those of the Plaintiff. These goods include all types of Rigid PVC, U PVC, C PVC, Plastic SWR, HDPE, LDPE, Column PPR, threaded plumbing and other allied goods.

The Defendant is using the mark "UNNATRAVINDRA". The competing marks are set out below: -

Plaintiff submitted that Defendant also had registration for the said mark, and rectification proceedings were filed by Plaintiff against the same.

Defendant submitted that for the same relief, two suits had earlier been filed by the same Plaintiff before District Judge Hisar in Haryana. The two suits are-

1. CS/7/2020, titled M/s Ajay Polymers v. M/s Feenulax Hitech Amritsar & Anr, which has been withdrawn.

2. CS/36/2020 is titled M/s Ajay Polymers v. M/s Feenulax Hitech Amritsar & Anr., which is still pending.

Defendant submitted that the non-filing and non-disclosure of these facts by Plaintiff goes to the root of the matter as Plaintiff has sought the same relief again and has now indulged in subterfuge by approaching the Court.

The Court noted that the chronology of events reveals a situation wherein the Plaintiff has clearly indulged in suppression of material facts. The two suits that were filed in Hisar, Haryana, claim almost the same relief, i.e., an injunction with respect to the use of the mark "RAVINDRA" by the Defendant.

The Court observed that the Plaintiff has indulged in gross concealment of material facts and has attempted to obtain an injunction by indulging in fraudulent conduct. The Court noted that in the case of Satish Khosla vs M/S Eli Lilly Ranbaxy Ltd. & Ors. 71 (1998) DLT 1, the Division Bench of this Court held that withholding the plaint of an earlier suit from the Court constitutes playing fraud on the Court.

The Court held that the Plaintiff cannot be allowed to escape the consequences of such suppression and concealment. Accordingly, the Court dismissed the case with costs of Rs.10,00,000/- imposed on the Plaintiff, of which a sum of Rs.5,00,000/- shall be paid to the Delhi High Court Staff Welfare Fund and the remaining Rs.5,00,000/- shall be paid to the Defendant within four weeks.

183. Service of Trademark Registry Notice via Email is Deemed Valid

Case: Ralson India Limited vs Sham Lal M/S Ramesh Lal and Sons [C.A.(COMM.IPD-TM) 139/2021]

Forum: High Court of Delhi

Order Dated: December 8, 2023

Issue: Whether the dismissal of the appellant's opposition to the registration of the 'R RALSON' mark was justified based on the non-filing of evidence?

Order: The appellant M/s filed this appeal. Ralson (India) against the order dated April 26, 2018, by the Trademarks Registry dismissing the Opposition filed by the Appellant against an application for registration of the mark 'R RALSON' bearing number 2054209 in Class 35 under the Trademarks Act, 1999 filed by the respondent no.1 – Sham Lal trading through M/S Ramesh Lal and Sons. The said mark was advertised in the Trademarks Journal No. 1736, dated March 14, 2016, the extract of which is set out below:


Trade Marks Journal No: 1736 , 14/03/2016 Class 35

2054209 16/11/2010
SHAM LAL
trading as ;RAMESH LAL & SONS
DR. GUJJAR MALL ROAD, LUDHIANA - 141008, PUNJAB
SERVICES
Used Since :01/04/1973
DELHI
ADVERTISING, OFFICES FUNCTIONS, TRADING, MARKETING AND EXPORT OF INDUSTRIAL AND DOMESTIC SEWING MACHINES INCLUDING OVER LOCK MACHINES AND PARTS THEREOF, MACHINE STANDS AND NEEDLES.

The Appellant claimed to be the first adopter of the mark 'RALSON' for tyres, tubes, parts, and accessories for cycle, rickshaw, and auto vehicles. The Appellant was aggrieved by the above application for registration and accordingly opposed the same vide Opposition No. DEL.- 850180 dated 8th March 2017. The said Opposition was dismissed by the impugned order dated April 26, 2018.

The dismissal of the Opposition by Respondent No.2- the ld. Deputy Registrar of Trademarks was on the ground of non-filing of evidence in support of the Opposition. The Appellant submitted that the counter statement was not received at the address for service and, therefore, the Appellant could not file the evidence.

On the other hand, Respondent No.1 submitted that the Appellant had filed Form TM-M, giving the email address clearly in the said form. He further referred to Section 145 of the Trademarks Act, 1999, which defines the scope of agency, which is given to the agent appointed by the Applicant. The said section, read along with Rules 17 to 19 of the Trademarks Rules, 2017, was referred by the Counsel to argue that once the agent files an address for service in the TM-M form with the email address, the said email address should be deemed to be the address for service for all communications.

The Court noted that in the decision of M/s Mex Switchgears Private Limited, it was unclear if a Form TM-M was given in the said case, stating the email address. Moreover, in the event the email ID is provided, the service on the said email ID would suffice as the address for service under Section 143 of the Trademarks Act, 1999.

The Court opined that the appeal was bereft of merit. The Appellant submitted that they may be permitted to file a cancellation petition against the trademark of Respondent No.1, i.e., 'RRALSON - 2054209, and the said impugned order ought not to come in the way.

The Court noted that the status of the said mark has been reflected as registered on the website, and it also stands renewed till November 16, 2030. Accordingly, the Appellant was given the liberty to file a cancellation petition. The grounds of Opposition on merits were not considered by the Court, and no opinion was rendered.

184. Clear Imitation of PUMA’s Logo – Delhi High Court Orders Cancellation of ‘Leaping Lion’ Mark

Case: PUMA SE vs Gajari Online Services Pvt Ltd [C.O. (COMM.IPD-TM) 231/2022]

Forum: High Court of Delhi

Order Dated: December 8, 2023

Issue: Whether Gajari Online Services Private Limited's trademark depicting a leaping lion, was an imitation of Puma SE's leaping cat device mark?

Order: This petition was filed before the erstwhile IPAB in 2020. After the enactment of the Tribunal Reforms Act 2021, the petition was transferred to The Delhi High Court. This rectification petition under Section 57 of the Trademarks Act, 1999, was filed by Petitioner-Puma SE seeking cancellation/rectification of the trademark bearing no. '3685324' dated November 23 2017, in Class 35, registered in the name of Respondent-Gajari Online Services Private Limited.

The Petitioner is a leading manufacturer and seller of various sport-inspired lifestyle products, including in categories such as football, cricket, running, Training 6 Fitness, golf, and Motorsports. The Petitioner has been using the mark 'PUMA' with the leaping cat device mark since 1948 in Germany and got the mark first registered in Germany on October 1 1948. The Petitioner has been marketing and selling its products in India, including in Delhi, through its wholly owned subsidiary Puma Sports India Pvt. Ltd. under its well-known and world-renowned trademark 'PUMA'.

The Petitioner claimed to be one of the leading sporting brands in the world, which is engaged in designing, developing, selling, and marketing footwear, apparel, and accessories. The Plaintiff's products are sold under the mark 'PUMA' as well as the leaping cat device thereof. The products are also sold globally, including India.

The Petitioner stated that the 'PUMA brand has collaborations with various designer brands, such as Alexander McQueen and Mihara Yasuhiro, who enable the Petitioner to launch new and innovative products for the sporting community.

The Plaintiff's grievance is that the device registered by Respondent via registration no. '3685324', though a lion, possesses the same attributes and characteristics as the leaping cat device of the Petitioner. Since puma cats and lions belong to the same family of cat family, Felidae, considering the visual similarity, the way it is depicted could lead to confusion if used on apparel, shoes, and other sporting goods, potentially being mistaken for the Petitioner’s leaping cat device mark. Thus, clearly, the Petitioner is a ‘person aggrieved’ within the meaning of Section 57 of the Trademarks Act, 1999.

The Petitioner submitted that the Petitioner's leaping cat device has, in fact, been declared a 'well-known mark' in terms of Section 2(1) (zg) of the Trademarks Act, 1999. The Petitioner presented a comparison of both the marks:

Petitioner’s leaping cat device mark	***Respondent’s mark***
	

The Court noted that a comparison of these two marks clearly showed that the Respondent's mark is an imitation of the Petitioner's mark. Such similarity is evident in the angle of the leaping animal, the depiction of the front and the back limbs, and even the tail, all of which are almost identical and opined that continued use of this mark would affect the purity of the Register of Trademarks as the same is likely to cause deception and confusion, in terms of Section 11(2) and (3) of the Trade Marks Act, 1999.

The Petitioner had also filed an Opposition No. 844867 dated May 21 2018, under Section 21 of the Trademarks Act, 1999, to Respondent's application no. 3703673 dated December 15 2017, in class 25 in respect of the following mark of the Respondent: gajari

Considering the clear imitation of the Petitioner's leaping cat device mark and the identity between the Petitioner's and the Respondent's mark, the Court opined that the said mark is liable to be cancelled. The Court further directed the registrar of trademarks to cancel the registration of the Respondent's mark within two weeks, and the same should be reflected on the website.

185. No Legal Action if the Infringer Adopts New Packaging

Case: Dabur India Limited vs MI Lifestyle Marketing Global Private Limited & Anr. [CS(COMM) 776/2023 & I.A. 21263/2023]

Forum: High Court of Delhi

Order Dated: December 8, 2023

Issue: Whether the proposed new labels of the defendants are similar to the registered trademark of the Plaintiff?

Order: This case was filed by the Plaintiff, Dabur India Limited, against the Defendant, MI Lifestyle Marketing Global Pvt. Ltd., for alleged similarity in the Plaintiff's "Dabur Red" toothpaste trade dress and the Defendant's "Elements Red Herbal" toothpaste.

Plaintiff's grievance was that the trade dress adopted by the defendants concerning their ELEMENTS RED HERBAL toothpaste, both used on the body of the toothpaste and the pack, infringed Plaintiff's registered trademark.

Subsequently, the defendants have proposed the following new packings against which, according to the defendants, the Plaintiff can have no legitimate grievance of Infringement:

Proposed Sample Illustration no. 1

Proposed Sample Illustration no. 2

The Court stated that Infringement must be tested on the parameters envisaged by Section 29 of the Trademarks Act. The relevant sub-section for the purposes of the present dispute would be Section 29(2), specifically Section 29(2)(b).

Accordingly, Section 29(2)(b) requires simultaneous satisfaction of various conditions before the finding of Infringement can be returned. The provision envisages similarity between Plaintiff's registered trademark, Defendant's mark, and the identity or similarity of the goods or services covered by the said marks. Where both these factors co-exist, and there is the likelihood of confusion on the part of the public or of the public associating the Defendant's mark with the Plaintiff's marks on account of the said factors, Infringement, within the meaning of Section 29(2)(b) of the Trademarks Act can be said to have taken place.

The Court noted that the goods or services covered by the rival marks are the same as both are used for Herbal toothpaste, specifically "Red Herbal Toothpaste". Therefore, the Court examined whether the proposed new labels of the defendants are similar to the registered trademark of the Plaintiff and, if they are, whether said similarity, coupled with the fact that both the marks are used for toothpaste, is likely to result in confusion or association within the meaning of Section 29(2).

After comparison of the Plaintiff's device marks with the proposed new labels of the defendants as a whole, the Court prima facie noted that the proposed new labels of the defendants do not infringe any of the Plaintiff's registered device marks. They are sufficiently distinct and different to mitigate any possibility of confusion with the Plaintiff's device mark.

The Court opined that the defendants would be at liberty to use either of the proposed new labels for its "Elements Wellness Red Herbal Toothpaste". The Court further directed the defendants to remove the impugned trade dress from any physical or virtual site within one month.

186. Churning Legal Dilemma: The Mother Dairy Trademark Saga

Case: Mother Dairy Fruits & Vegetables Pvt. Ltd. & Anr. vs M/S Maa Baisnavi Enterprises and Ors. [CS(COMM) 83/2018]

Forum: High Court of Delhi

Order Dated: December 8, 2023

Issue: Whether the use of the 'Mother Dairy' mark by the Defendants outside the State of West Bengal was unauthorised and in violation of the plaintiff's rights?

Order: This case was filed by Plaintiff Nos. 1 & 2 - Mother Dairy Fruits & Vegetables Pvt. Ltd., Gujarat and National Dairy Development Board (NDDB) against Defendant No. 3- West Bengal State Cooperative Milk Producers' Federation Limited as also Defendant No. 4-Mother Dairy, Calcutta, a unit of the said company and two retailers, who were selling mother dairy milk in Jharkhand i.e., Defendant No.1- M/s Maa Baisnavi Enterprises and Defendant No.2-M/s. Satsang Enterprises.

The Plaintiffs' case was that the NDDB was constituted under the NDDB Act of 1987, and was a government company incorporated for the purpose of implementing a major dairy development project commonly known as 'Operation Flood'. Under the 'Operation Flood' programme, the NDDB financed Mother Dairy, which operates in Delhi for manufacturing and marketing milk products. Mother Dairy in Delhi was commissioned in 1974 and started using the brand name 'Mother Dairy'. Plaintiff No.1 was formed as a subsidiary of Plaintiff No.2-NDDB and took over the operation of Mother Dairy in Delhi.

The trademark 'MOTHER DAIRY' was adopted by the Plaintiffs in the year 1974 and since then has been used for a large range of milk and milk-related products, including butter, liquid milk, ice cream, dairy whiteners, etc. The 'Mother Dairy' logo is also registered as a well-known logo .

The Plaintiffs were aggrieved on using the mark 'Mother Dairy' by Defendant No.3 & 4 as well as their retailers outside the State of West Bengal. The "Mother Dairy, Calcutta" was originally owned by the government of West Bengal, and the management was taken over by Plaintiff No.2-NDDB in 1978. After that, NDDB handed over the management of the Mother Dairy, Calcutta, to Defendant No.3- West Bengal State Cooperative Milk Producers Federation Ltd.

The Mother Dairy, Calcutta-Defendant No.4 continued functioning in West Bengal and had applied for registration of the mark "Mother Dairy, Calcutta" in July 2004. The Plaintiffs became aware that an application for the mark "MOTHER DAIRY CALCUTTA' bearing no. 1294520 in class 29 was filed by Defendant No. 4. At that stage, an agreement dated September 20, 2004, was entered into between the Plaintiffs and the 'Mother Dairy, Calcutta' to enable Mother Dairy, Calcutta to use the mark "Mother Dairy". Under the said agreement, 'Mother Dairy' was to be used only for liquid pasteurised milk, processed, and marketed by Defendant No. 4 within the State of West Bengal. As per clause 2 of the said agreement, the Defendants had also agreed to adopt a new trademark in respect of all other milk products.

Plaintiff averred that on September 5, 2008, Plaintiff No.1 sent a letter to Defendant No.3 asking them to withdraw the aforesaid application. It was averred that since there was no response to the letters dated September 5, 2008, and November 7, 2008, by Defendant No.3, Plaintiff No.1 opposed the said registration. Defendant No.3, vide letter dated March 10, 2005, addressed to Plaintiff No. 2, assured that they were adopting a new common brand, 'BEN'S' and would only use 'Mother Dairy, Calcutta' for liquid pasteurised milk.

The plaintiffs stated that in December 2008, the Plaintiffs became aware that Mother Dairy Calcutta's milk, curd, paneer, and ghee were available in

Ranchi, Jharkhand, and that Defendant No. 1 is the distributor of Defendant No. 4's products in the state of Jharkhand. Since Defendant Nos.3 & 4 had started selling the mother dairy milk in Jharkhand, the present Suit came to be filed.

The Suit came up for hearing on January 12, 2009. The Court had granted an ex-parte injunction and restrained the use of the mark 'Mother Dairy' outside West Bengal. On September 13, 2023, the Defendants pointed out that the name of Defendant No.3 had been changed from 'Mother Dairy' to 'Banglar Dairy Limited'.

On the last date of the hearing, i.e., November 22, 2023, the Plaintiffs submitted that milk was currently being sold under the mark 'Banglar Dairy'. However, the name 'Mother Dairy, Calcutta' in the processed packaging address continues to appear.

The Court held that, since the categorical stand of Defendant Nos.3 & 4 was that the name has been changed from 'Mother Dairy, Calcutta' to 'Banglar Dairy Limited', the Defendants shall henceforth use the mark/name 'Banglar Dairy'. There shall be no use of the mark 'Mother Dairy' on any products, packaging, bill vouchers, advertising, or promotion. The Defendants shall remove the name 'Mother Dairy, Calcutta' from the packaging within three months.

187. Court Awards Damage to Calvin Klien in Counterfeit Products Matter

Case: Calvin Klien Trademark Trust & Anr vs M/S Guru Nanak International & Ors [CS(COMM) 878/2023]

Forum: High Court of Delhi

Order Dated: December 8, 2023

Issue: Whether the Defendants, were engaged in the sale of counterfeit products that infringed upon the trademarks owned by Plaintiffs (e.g., 'Calvin Klein', 'C.K.', 'TOMMY HILFIGER')?

Order: This case relates to the Plaintiffs' trademark 'Calvin Klein', C.K., 'TOMMY HILFIGER', 'TOMMY', 'TOMMY SPORT', TOMMY GIRL, and the labels thereof.

The Plaintiff no.1, Calvin Klein Trademark Trust, was launched by the renowned fashion designer Calvin Klein in the USA in 1968. It is engaged in manufacturing, distributing, and selling a wide range of clothing, fragrances, cosmetics, eyewear, watches, home furnishings and other allied/ related products. Since its establishment, Plaintiff No. 1 has been using the word marks/ logo marks 'CALVIN KLEIN' and 'C.K.' as trademarks and as an essential part of its trade name for its goods and business.

Plaintiff No. 2 was established by Mr Tommy Hilfiger, one of the world's leading designers for lifestyle brands and is internationally recognized. Plaintiff No. 2 uses the mark 'TOMMY HILFIGER', the flag device and other 'TOMMY' marks for the sale of a wide range of clothing, fragrances, cosmetics, eyewear, watches, home furnishings and other allied/ related products.

The plaintiffs have registered trademarks under several classes of the Trademarks Act of 1999. The Plaintiffs have built a worldwide trade, goodwill, and reputation and acquired proprietary rights.

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The plaintiffs alleged that the defendants were selling counterfeit products and engaged in piracy of the marks. An ex parte ad interim injunction was granted on February 17 2020, in the following terms:

> "The defendants, till further orders, are restrained from dealing with the trademarks 'Calvin Klein', . 'C.K.' (word/logo) 'C.K. logo device mark ,' 'TOMMY HILFIGER', 'TOMMY', 'TOMMY SPORT', (the flog logo) TOMMY GIRL OR or goods bearing the said trademarks, in any manner whatsoever."

Local commissioners were appointed to visit the premises of the Defendants. After that, by order dated July 31 2023, the Suit stands settled with all the Defendants except Defendant No.5 - M/s. Sazia Garments, a partnership firm. None appeared for Defendant No. 5. The service report showed that the factory of Defendant No. 5 was locked.

The Court perused the report of the Local Commissioner appointed to visit the premises of Defendant No.5. As per the said report, a substantial amount of 'TOMMY HILFIGER' and 'CALVIN KLEIN' counterfeit products were seized from Defendant No.5's premises. A large amount of packaging material has also been found.

The Court noted that Defendant No.5 was engaged in the manufacturing and sale of counterfeit products, as is evident from the record of the case and the report of the Local Commissioner.

According to the terms of the provisions of Order XXVI Rule 10 (2) CPC, 1908, the Court considered the local commissioner's report as evidence since it stands unchallenged. The same was held in the case of M L Brother LLP v. Mahesh Kumar Bhuralal Tanna, 2022: DHC: 1879.

The Court noted that in Disney Enterprises Inc. & Anr. V. Balraj Muttneja & Ors.,2014: DHC:964, it was held by the Court that leading formal evidence would not be required where the Defendant has not appeared in the matter or filed a written statement. Accordingly, the Court held that no ex parte evidence would be required in the present case.

The Court opined that the Defendant has deliberately chosen to stay away from the proceedings merely to ensure that it is not required to produce its accounts. A large quantum of counterfeit goods was found on Defendant No.5's premises. The Local Commissioners also found a substantial number of ledgers, files, running fabric and 25 to 30 sewing machines. Insofar as the seized material is concerned, the factory is locked as per the last service record. Given the entire operation undertaken by Defendant No.5, this is a fit case for the grant of damages and costs.

Thus, the Court opined that on an assessment of the evidence on record, damages deserve to be awarded to the plaintiffs. The Court relied on the case of Koninklijke Philips and Ors. v. Amazestore and Ors., 2019: DHC:2185, where the Court laid down specific standards for the grant of damages.

The Court held that the infringement done by the defendant no. 5 was deliberate and calculated. Thus, the Plaintiff is liable to be awarded damages. The Court decreed the Suit for Rs.10 lakhs as damages, and Rs.1 lakh was awarded as costs. The Court further held that the Plaintiffs shall visit the premises of Defendant No.5 to seize the infringing products for destruction, and the Defendant shall pay damages and costs awarded by the Court within eight weeks.

189. Appeal Dismissed Over Deceptively Similar Trademark

Case: Kd Gold And Diamonds Private vs M/S. Khimji & Sons [FAO No.105 of 2023]

Forum: High Court of Orissa

Order Dated: December 11, 2023

Issue: Whether the use of the words "KHIMJI" or "KHIMJI JEWLLS" by the Defendant would be deceptively similar to the mark "KHIMJI" / "KHIMJI & SONS JEWELLERS"?

Order: The Appellant filed this appeal against the grant of a temporary injunction by the District Judge in I.A. No.01 of 2021 (arising out of C.S. No.02 of 2021). In the impugned order, the Appellant-Defendant has been restrained from using the mark "KHIMJI JEWELS" or "KHIMJI" pending disposal of the suit.

The suit was filed praying for a decree of permanent injunction against the Defendant from using the Trademark "KHIMJI JEWELS" or "KHIMJI" in any manner whatsoever, along with ancillary and consequential reliefs.

The Court noted that the admitted case of both parties was that they all belong to one family having a common ancestor, namely Dayabhai Ramjibhai Nandha. He had four sons: Chaturbhuj Dayabhai Nandha, Pragji Dayabhai Nandha, Khimji Dayabhai Nandha, and Harilal Dayabhai Nandha. The Plaintiff had a jewellery business since 1936 in the name and style "KHIMJI DAYABHAI AND BROTHERS", and on 01.04.1992, the partnership firm was registered having partners, namely, Kantilal Chaturbhuj Nandha, Chimanlal Pragji Nandha, Dhirajlal Pragji Nandha, Girish Chandra Pragji Nandha, Dinesh Chandra Pragji Nandha, Binod Roy Khimji Nandha, Chandulal Harilal Nandha, and Jitendra Harilal Nandha to deal with jewellery business. On 05.08.1999, the partnership firm "KHIMJI DAYABHAI AND BROTHERS" was dissolved by an Agreement of Dissolution of partnership by all the members wherein it is agreed that the partners are free to do some business anywhere using the word "KHIMJI DAYABHAI" with addition or deletion of some words. However, no

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partner can use the name "KHIMJI DAYABHAI AND BROTHERS" or the "K.D." logo. It is also admitted that the father of the present proprietors of Plaintiff's unit and the father of the proprietors of Defendant's unit were parties to said Dissolution of Partnership Agreement dated 05.08.1999. Further, another Name User Agreement was executed on 28.06.2005 between the partners of both parties with such terms and conditions, including that any of the parties can use "KHIMJI DAYABHAI AND BROTHERS" with proper prefix or suffix.

The Defendant (present Appellant) submitted that the order of temporary injunction being granted contrary to the family settlement arrived in the Dissolution of Partnership Agreement dated 05.08.1999 and the Trade Name User Agreement dated 28.06.2005 is not sustainable in the eye of the law. It is further submitted on behalf of Defendant that the parties have a history of joint family business in jewellery in the brand name “KHIMJI DAYABHAI AND BROTHERS” and there having prior use of the word “KHIMJI” by the Defendant, no case is made out in favour of the Plaintiff (present Respondent) for equitable relief and the Defendant gets protection under Section 34 of the Trademarks Act, 1999.

The Court noted that the use of a deceptively similar mark may not be identical and, as per its definition contained in Section 2 (h) of the Trademarks Act, 1999, would be a mark if it nearly reassembles that other mark as to be likely to deceive or cause confusion. In this case, the mark “KHIMJI JEWELS” with its get-up would certainly fail the test and can be termed in its appearance to create confusion among the purchasers.

The Court noted that a prima facie case is made out, and a balance of convenience is found in favour of the Plaintiffs; it may not be necessary to show more than loss of goodwill and reputation to fulfil the condition of irreparable injury. Thus, Plaintiff has made a case in their favour for injunction since it is established that Defendant has infringed his trademark. Thus, the Court dismissed the appeal, and the impugned order was confirmed. However, it was made clear that the impugned order of injunction would not debar the Defendant from using their mark “M/s. KHIMJI DAYABHAI CO.” as per their earlier business continued.

190. Words of Common English Usage Cannot be Registered as Trademarks

Forum: High Court of Delhi

Case No.: Institute of Directors vs Worlddevcorp Technology and Business Solutions Pvt. Ltd. [CS (COMM) 611/2023]

Order Dated: December 11, 2023

Issue: Whether the use of "Directors' Institute" by the defendants would likely cause confusion with the plaintiff's mark, "Institute of Directors," especially considering both are used for similar and allied services?

Order: This case was filed by the plaintiff Institute of Directors Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC).

The plaintiff Institute of Directors is a registered proprietor of the mark and under the Trademark Act, 1999. The registration of the plaintiff's device mark in class 41, which pertained to "arranging and conducting of conferences, seminars and workshops, organizing international conferences & training programs", respectively, was subjected to a disclaimer, disentitling the plaintiff from claiming any exclusive right over the descriptive matter appearing on the label. Furthermore, the plaintiff stated that these marks are used for running an institute as well as for conducting events, networking, and other associated activities.

The plaintiff is aggrieved by the use, by the defendants, of the device mark . Defendant 1 has applied for registration of the said mark in class 41 for “education; providing of training; entertainment; sporting and cultural activities. The plaintiff’s grievance is essentially against the textual component of the impugned mark, which reads “Directors’ Institute”. The plaintiff submitted that the use, by the defendants, of “Directors’ Institute” is bound to result in confusion in the minds of the public, when seen vis-à-vis the plaintiff’s mark “Institute of Directors”, especially as the marks are used for providing similar and allied services.

The Court noted that in the representation made by the plaintiff before the Trademarks Registry, the plaintiff admitted that the textual component of its device mark both to be descriptive as well as to be lacking in distinctive character by stating that the textual component of the mark constituted common English words which could not belong to any one proprietor.

The Court opined that words of ordinary English usage cannot be monopolized. Otherwise, the entire English language would be appropriated by a few, which can obviously not be permitted. There is, therefore, in Section 9(1)(a), an absolute proscription to the registration of marks which are inherently lacking in distinctiveness in that they are incapable of distinguishing the goods or services of one person from those of another. Words of common English usage fall within this category. It is only if the mark has attained secondary significance by means of continuous usage and is entitled, therefore, to the benefit of proviso to Section 9(1), that such a mark can be registered. Otherwise, words of common English usage, even when put together to form a phrase of common English usage, cannot be registered. No monopoly can be claimed by the registrant of such a mark.

The Court opined that by stating before the Trademarks Registry that the words used in the device mark were words of common English usage, which could not be said to belong to any one proprietor, the plaintiff is, prima facie, disentitled from seeking an injunction against the use, by the defendants, of the words “Directors’ Institute”.

The Court opined that obtaining a registration in respect of a mark that consists of common English words is fraught with the possibility of its own adverse consequences. While obtaining registration of such a mark, the registrant must be conscious that the mark is a combination of ordinary English words, and, in fact, as in the present case, being a mark as non-distinctive as “Institute of Directors”, there is every possibility of a similar mark being used by another person. Commonly used words, or a non-distinctive combination of commonly used words, cannot be monopolised by any one person so as to disentitle the rest of the world from the use thereof.

Therefore, the Court held that the plaintiff’s claim to exclusivity over the words “Institute of Directors” and the prayer for restraint against the defendants using the words “Directors Institute” cannot, prima facie, be sustained.

191. Legal Diagnosis in Trademark Infringement: The House of Diagnostics vs House of Pathology War

Case: House Of Diagnostics LLP & Ors vs House of Pathology Labs Private Ltd. [CS(COMM) 869/2023]

Forum: High Court of Delhi

Order Dated: December 12, 2023

Issue: Whether the defendant, House of Pathology Lab Pvt. Ltd., has infringed upon the plaintiffs' trademark by using a similar mark ' .' along with the words "House of Pathology"?

Order: The plaintiffs, House of Diagnostics, use their registered mark to provide diagnostic services. The mark comprises the acronym 'H.O.D.' along with the words "House of Diagnostics" written below it, functioning thus as a device mark . The plaintiffs also claim to have been using the mark since 2008. Meanwhile, the defendant, House of Pathology Lab Pvt. Ltd., uses the device mark to provide diagnostic services. The plaintiffs thus prayed for ad interim relief in this case. They asserted that the marks "H.O.D." and "House of Diagnostics", on account of their long and continuous use, have attained repute and are now indelibly associated with the plaintiffs. Meanwhile, the defendant submitted that the words "House of" are *publici juris* or a "public right" and descriptive of the services provided.

Rejecting the defendant's submission, the order held that the mark "House of Diagnostics" being arbitrary and inventive, it prima facie appears that the defendant has deliberately and intentionally copied the idea of the plaintiffs by styling its mark as "House of Pathology". On a comparison of the marks themselves, it was observed that the defendant also uses the letters "H.O.P."

in the form of a boldened acronym with the words "House of Pathology" written in small letters below it. Hence, the layout and appearance of the logo of both marks are identical. Additionally, both the marks are used for a similar nature of business, i.e. diagnostic services. Hence, a prima facie case of infringement within the meaning of S. 29(2)(b) of the 1999 Act, along with passing off by the defendant, was made out. Till the next date of hearing, the defendant and all others acting on its behalf stood injuncted from using the mark "H.O.P." or 'House of Pathology' as a trademark.

192. Defendants in a BRINE over Trademark Infringement

Case: Inventphile Ventures Private Ltd. vs Brinerds Ventures Private Ltd. [CS(COMM) 855/2023 & I.A. 23916/2023]

Forum: High Court of Delhi

Order Dated: December 12, 2023

Issue: Does the use of marks by the defendants infringe on the plaintiff's registered trademark ?

Order: This case was instituted by Inventphile Ventures Pvt. Ltd. through its Director, Vaibhav Shukla. The plaintiff alleged that the defendants were infringing on the plaintiff's registered trademark . The plaintiff stated that the mark was registered in favour of the plaintiff in class 36 in respect of "Financial Affairs, Monetary Affairs, Cyptro Currency Services, Crypto Currency Exchange Services, Brokerage Services, Financial Consultancy and Advisory Services Including class 36" with effect from 14 March 2022.

The plaintiff asserted that they own and operate an online platform called "LetsKrypto", over which users can buy, sell, trade, and pay with cryptocurrencies. "Brine" was stated to be a cryptocurrency platform created by the plaintiff, which is the decentralised exchange version of the "LetsKrypto" cryptocurrency platform.

Defendant 5, Shaaran Lakshminarayanan and the plaintiff and Vaibhav Shukla were and continue to be the directors in the plaintiff company Inventphile Ventures Pvt. Ltd. Defendant 2, BRS Tech Services Ltd. is a company incorporated in the British Virgin Islands, of which Defendant 5, Mr. Shaaran Lakshminarayanan, claimed to be the sole director (as,

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apparently, the law in the British Virgin Islands permits a company to be incorporated with one director). Defendants 3 and 4 are former employees of the plaintiff, and Defendants 6, 7 and 8 are investors in the plaintiff company and in Defendant 2 BRS Tech Services Ltd.

The plaintiff was aggrieved by the defendant's use of marks that are deceptively similar to the plaintiff's mark.

The plaintiff submitted that Defendants 3, 4, 6, 7 and 8 were impleaded in the present suit as, according to the plaintiff, they were in collusion with Defendants 1, 2 and 5 in infringing the plaintiff's registered trademark. Defendant 6 submitted that he has neither invested in the plaintiff nor in Defendant 2, BRS Tech Services. Defendant 8. Ms. Kaul and Ms. Sharma both emphatically refute the allegation of collusion with any of the other defendants.

The defendants contended that the plaintiff had not approached the Court with clean hands and had resorted to conscious suppression of facts, which, even by itself, disentitles the plaintiff from any equitable relief. Defendants placed considerable reliance on proceedings instituted by the plaintiff before the learned National Company Law Tribunal ("the learned NCLT"). Vaibhav Shukla instituted, initially, one petition on or around 17 April 2023 under Sections 241 and 242 of the Companies Act, which was never pursued, though it was filed. The defendant submitted that the plaintiff and Mr Vaibhav Shukla, thereafter, instituted a separate petition under Sections 241 and 242 of the Companies Act before the learned NCLT on or around 23 November 2023.

The defendants submitted that the plaintiff had deliberately suppressed the factum of the aforesaid two company petitions having been instituted before the learned NCLT, even though the plaintiff has disclosed the pendency of criminal litigations between the parties. This, therefore, by itself, according to Mr. Sood, forecloses the possibility of granting any interim relief to the plaintiff.

The defendants further submitted that the plaintiff is not entitled to any interim relief on several grounds. Firstly, the plaintiff has concealed relevant facts while approaching the Court. Secondly, Mr. Vaibhav Shukla is not duly authorised to institute the present suit. Thirdly, even on merits, the reliefs sought by the plaintiff from the learned NCLT in the second company petition also encompass the relief sought in the present suit. Fourthly, the plaintiff's claim to an interim injunction is also liable to be rejected as there is no evidence of use by the plaintiff of the asserted device mark.

The plaintiff emphatically refuted the allegation of suppression of facts. Apropos the company petitions which were filed before the learned NCLT, the plaintiff submitted the first company petition was instituted, not by the plaintiff, but by Mr Vaibhav Shukla in his personal capacity and, in any case, that company petition still languishes with the Registry of the NCLT and had never been prosecuted. Besides, the said petition was of no relevance whatsoever to the present case, as, being a petition instituted by Mr Vaibhav Shukla in his personal capacity, there was no question of any issue of trademark infringement being raised therein. Insofar as the second company petition is concerned, the plaintiff pointed out that the petition was instituted on 25 November 2023, whereas the present suit was instituted before this Court on 16 November 2023. As such, there was no question of any reference to the second company petition finding a place in the body of the present suit.

The plaintiff submitted that there had been no contest whatsoever by the defendants on the aspect of deceptive similarity between the plaintiff's and the defendant's mark, so the allegation of infringement, within the meaning of Section 29 of the Trademarks Act, must be deemed to be accepted.

The Court noted that the plaintiff is entitled, prima facie, to an ad interim order at this stage, in terms of the prayers in the present application, as there is no traversal, whatsoever, by the defendants on the aspect of deceptive similarity between the plaintiff's mark and the defendants' and marks. Even otherwise, the marks are, ex facie, deceptively similar to each other. They comprise of the logo "" and the word "BRINE". In each case, the logos are similar in design. The word BRINE is written in white letters on a black background. To a consumer of average intelligence and imperfect recollection, there is every possibility of likelihood of confusion between the two marks.

The Court held that the submission of the defendants that the plaintiff had been less than economical in its disclosure regarding the proceedings between the plaintiff and the defendants before the learned NCLT cannot, prima facie, be accepted.

The Court opined that the case is plainly one of the defendants' using a mark which is deceptively similar to that of the plaintiff for providing identical services. The adoption of an identical mark is obviously conscious and deliberate. Ad interim protection must, therefore, necessarily follow.

The Court restrained the defendants, as well as all others acting on their behalf, from using services under the marks and "Brine" and/or any mark identical or similar to the plaintiff's marks "Brine" and , in any manner, till the next date of hearing.

193. The Lahori Zeera Dispute: Vigilance a Must in Food and Beverage Trademark Cases

Case: Archian Foods Private Limited vs Anchal Trading Company & Ors. [CS(COMM) 878/2023]

Forum: High Court of Delhi

Order Dated: December 12, 2023

Issue: Whether the defendant's adoption of the mark 'PNS LAHORI ZEERA' was an infringement of the plaintiff's mark 'LAHORI ZEERA'?

Order: *This case was filed by the plaintiff, Archian Foods Pvt. Ltd., who* is engaged in the manufacture and sale of various traditional Indian flavoured non-alcoholic drinks and beverages. According to Plaintiff, its products are packaged with natural ingredients and are traditional Indian kitchen products that are extremely popular in the country. The plaintiff's predecessor - M/s Archian Foods- had started using the mark 'LAHORI ZEERA' in 2013 with respect to its kulfi. Thereafter, the Plaintiff has diversified with various other products such as 'LAHORI ZEERA', 'LAHORI NIMBOO', 'LAHORI KACHA AAM', 'LAHORI IMLI BANTA', 'LAHORI SHIKANJI'.

This suit is concerned with the product 'LAHORI ZEERA', which is a jeera drink sold by the plaintiff. It was stated that the Plaintiff adopted a distinctive Trade Dress having a unique arrangement of features, get and layout for the product 'LAHORI ZEERA' along with a unique colour combination of Green, Yellow and White, with Green as the primary/predominant colour and Yellow and White as the secondary colours. The said product was initially launched in 2015, and the shape of the bottle and label, etc., have evolved over time.

According to the Plaintiff, the following 'LAHORI ZEERA' label is also registered under Section 17(c) of the Copyright Act, 1957, bearing No. A-146655/2023 for the artistic work 'LAHORI ZEERA'. The plaintiff also claimed rights in the design of the bottle and has a valid Design Registration on the shape and configuration of the bottle for its product 'LAHORI ZEERA', being Design No. 352339-001.

Plaintiff was aggrieved by the Defendants' adoption, manufacture, and sale of almost an identical product called 'LAHORI ZEERA' by adding the initials 'PNS'. The comparative images are set out below:

Plaintiff's Product 'LAHORI ZEERA'	**Impugned Product 'LAHORI ZEERA'**
	

The plaintiff submitted that though the mark is pending trademark registration, owing to the large quantum of sales since 2015 and the almost identity in the copying of the various elements, this is a dishonest adoption by the Defendants.

According to the Plaintiff, the Food Safety and Standards Authority of India (hereinafter, FSSAI)- No. 20221031104096467 mentioned on the label used by the Defendants is also fake as there are no details available of the same on the official website of FSSAI.

The court opined that the case is a case of res ipsa loquitur. A mere glance at the two products itself shows how the same is completely deceptive. The Defendants' adoption is clearly tainted and dishonest.

The court noted that the Plaintiff had made out a prima facie case for grant of an interim injunction. Considering the products in question are beverage products, the balance of convenience is also clearly in favour of Plaintiff. Further, irreparable injury shall be caused not just to the Plaintiff but maybe also to the public at large as well, in case products with a deceptively similar mark as that of the Plaintiff are allowed to continue. These are consumable products which can be harmful to consumer health if the products are not manufactured as per food safety standards by the Defendants. Therefore, the Plaintiffs have made out a case for the grant of an ex-parte ad interim injunction against the Defendants.

Hence, the Court restrained the Defendants and all others acting for or on their behalf from manufacturing, selling, or offering for sale the products called 'PNS LAHORI ZEERA' or any other product which has an identical colour combination, name, label, container, bottle which may be confusingly and deceptively similar to the Plaintiff's 'LAHORI ZEERA' product including its name, mark, packaging and shape of the bottle.

194. Body Cupid Wins Big in “WOW” Mark Battle

Case: Body Cupid Pvt Ltd vs M/S VBRO Skincare Pvt & Ors. [CS(COMM) 883/2023]

Forum: High Court of Delhi

Order Dated: December 13, 2023

Issue: Whether the use of marks ‘VBRO’ and ‘WQVV’ by the defendants is an infringement of the mark 'WOW' of the plaintiff?

Order: This case was filed by the Plaintiff, Body Cupid Pvt. Ltd., against M/S VBRO Skincare Pvt. Ltd. for infringement of its "WOW" mark.

The Plaintiff's case is that t it uses the brand 'WOW' for a large variety of products, including supplements, herbal blends, creams, serums, lotions, shampoos, bath and body products, essential oils, etc. The said mark is adopted in a distinctive logo form by the Plaintiff and is extracted below:

The Plaintiff operates a website at www.buywow.in and has also registered various other websites to promote its products. It also has a substantial presence on social media. Plaintiff's products are sold in extremely distinctive containers featuring a unique trade dress and colour combination of dark brown, white, and gold. The Plaintiff's sales in the years 2022-23 exceeded Rs. 258 crores, which, according to the Plaintiff, establishes its goodwill in the business for the 'WOW' brand.

The Plaintiff asserted rights in the trademark 'WOW', the writing style of the said mark, and the trade dress. In addition, Plaintiff also claims design registration with respect to Plaintiff's shampoo product. Further, it was

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averred that Plaintiff has successfully protected its products and trade dress from infringement by initiating legal proceedings.

In this suit, the Defendants are Defendant No. 1, which is M/s. VBRO Skincare Limited, Defendant Nos. 2 and 3 are Mr. Dhorajiya Bipinbhai Dharamshibhai, the proprietor of M/s. VBRO Skincare Pvt. Ltd., and Mr. Vimalbhai Kamleshbhai Dhorajiya, proprietor of an entity named Vkeshbund Pvt., respectively, Defendant No. 4 is M/s Herbocare Herbal Products, which is believed to be the manufacturer of the alleged infringing products, Defendant Nos. 5 to 7 are respectively, Amazon Seller Services Private Limited, Flipkart Internet Pvt. Ltd., and Acevector Limited ('Snapdeal')

The plaintiff averred that the listings for hair care products under the marks 'VBRO' and 'WQVV' were discovered on various e-commerce platforms, particularly on those of Defendant Nos. 5 to 7. These 'WQVV' products were found to infringe the Plaintiff's trademark rights in the 'WOW' mark, and their trade dress also seemed imitative of the Plaintiff's 'WOW' range of products. The grievance in this case is that the Defendants, who sell identical products under the mark 'VBRO' and 'WQVV', have copied and imitated the entire trade dress, get-up, layout, colour combination, writing style of the Plaintiff 'WOW' products.

Comparative images of the Plaintiff's and the Defendants' products are set out below:

The Court noted that, insofar as the trade dress, get and colour combination are concerned, the case is one of res ipsa loquitur, where the imitation is writ large. The containers and products the Defendants sell are almost complete imitations of the Plaintiff's products. The way 'WQVV' is depicted could easily confuse any consumer into believing that the impugned products were manufactured by Defendant Nos. 1-4 is a 'WOW' product, especially with the elongated 'W' in the third letter. The writing style and various descriptors on the containers are also identical. Even the products manufactured and sold under the mark 'VBRO' have an identical trade dress.

Thus, the Court opined that the Defendants' products could be passed off as those of the Plaintiff. The Defendants' products are available on various e-commerce platforms such as Amazon, Flipkart and SnapDeal. The listings have been perused by the Court. Accordingly, the Plaintiff has made out a prima facie case for the grant of an injunction. Balance of convenience lies in favour of the Plaintiff, and irreparable harm would be caused if an injunction is not granted.

The Court restrained Defendant Nos. 1 to 4 from using the marks 'WQVV' or any other mark that is identical or deceptively similar to Plaintiff's trademark 'WOW', including the device and logo form of the 'WOW' marks, for the manufacture and sale of products. Further, the Court directed Defendant Nos. 5 to 7, which are e-commerce platforms, to take down the listings set out in Document 1 to the plant.

195. Calcutta HC Issues Ad Interim Injunction Against Phonetically, Visually and Structurally similar Mark

Forum: High Court of Calcutta

Case No.: Khaitan India Limited vs Khaitar Industries Private Ltd. [CS 155 of 2020]

Order Dated: December 14, 2023

Issue: Whether the defendant's mark "KHAITAR" infringes the plaintiff's mark "KHAITAN"?

Order: The plaintiff filed the instant application for a grant of injunction restraining the defendant and each of them, their servants, agents, assigns, distributors, stockists, dealers and all others acting for and on their behalf in any way or manner infringing the plaintiff's trademarks "KHAITAN" and any other words or get up identical or deceptively similar to the plaintiff's trademark and other reliefs.

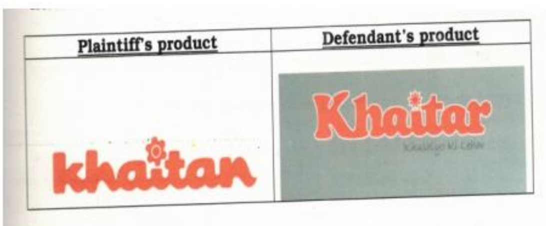
The plaintiff has been engaged in the business of trading and marketing domestic and industrial fans, pumps, industrial products, and appliances since 1970, and since then, the plaintiff has excelled in the business of trading and marketing its products. The plaintiff coined and adopted an innovative and distinctive mark, "KHAITAN", with the word "KHAITAN' written in red colour in a stylized manner and a visual representation of a fan placed above the letter "i" in the mark. The petitioner applied for registration of the mark "KHAITAN" in various forms, fonts, and languages on and from 2nd June 1981 and was subsequently granted registration with respect to the said mark.

In June 2020, the plaintiff came to know that the defendants had slavishly imitated the unique and distinctive mark of the petitioner and were applying the mark "KHAITAR" with respect to its products. The said mark "KHAITAR" is phonetically, visually, and structurally similar and deceptively similar to the mark of the plaintiff "KHAITAN". The plaintiff further came to know that the defendants have adopted the plaintiff's distinctive mark for its products, majorly electric fans.

On further search in the Trademark Registry, the plaintiff came to know that defendant no. 2, being one of the directors of defendant no.1 Company, had applied for registration of the mark "KHAITAR' on 13th September 2017 as a proprietor of one 'Rajguru Industries' and has obtained registration fraudulently by claiming to be a user since 1st April 2011. The plaintiff issued a notice on 8th June 2020 to defendant no. 1, calling upon defendant no. 1 to cease and desist from using the deceptively similar mark "KHAITAR". On receipt of the notice, the defendant sent a reply on 22nd July 2020 and refused to cease and desist from using the deceptively similar mark.

The defendants filed their affidavit-in-opposition, and the case of the defendants is that the marks "KHAITAN" and "KHAITAR" are registered trademarks under Class 11 and therefore, infringement does not lie in view of Section 28(3) of the Trademarks Act, 1999. The defendant submitted that there is no similarity between the two marks, "KHAITAN" and "KHAITAR", phonetically, visually and by structure. The sales turnover of the said goods and products is increasing day by day, and for the year 2020-2021, the sales figure was 2,93,71,348/-.

The marks of the plaintiff and the defendants are as follows:



The Court noted that the defendant's label/mark is deceptively similar to the plaintiff's mark. It would be highly improbable to expect an ordinary person of average intelligence and imperfect recollection to recall the exact nature and features of the plaintiff's mark before being led into confusion with the defendant's mark and consequently purchasing the defendant's fan in the belief that he is purchasing plaintiff's fan. It is a well-settled principle of law that the duties of the Court are not to compare two marks as they were side by side, with a view to find out if there are differences or dissimilarities. What is essential is whether ordinary purchasers going about their normal affairs would be liable to be deceived into believing that the fan they purchased from a shop, not under a microscope or upon careful evaluation, is a product of the plaintiff. Apart from using the word "Khaitan" instead of "Khaitar", the features would lead the purchasers to associate the plaintiff's product with the defendant's brand. In view of the well-settled position in law that the Court must have regard for all the surrounding circumstances and the overall similarities of the two marks, there can be no doubt whatsoever that the product of the defendant, prima facie, is deceptively similar to that of plaintiff's and is likely to cause confusion and deception.

The Court further noted that the phonetic similarity between "Khaitan" on the one hand and "Khaitar" on the other is strikingly similar. The two marks are phonetically, visually, and structurally similar.

The Court opined that the plaintiff has established a prima facie case for grant of injunction. The essential requirement in action for infringement that the defendant's trademark is identical to the plaintiff's trademark has been established. The balance of convenience lies in favour of plaintiffs.

The Court held that the plaintiff shall pay Rs. 2,00,000/- as remuneration of the Special Officer for the present. The Special Officer is directed to file his report within six weeks. GA No. 1 of 2020 is thus allowed.

196. The Bittersweet War over Sale of Counterfeit Coffee

Case: Societe Des Products NESTLES.A & Anr. vs Mohd Zahid and Sons & Ors. [CS(COMM) 271/2018 & I.As. 23635/2014, 6301/2023, 18020/2023 & 24616/2023]

Forum: High Court of Delhi

Order Dated: December 15, 2023

Issue: Whether a suit can be continued perpetually to restrain and control the counterfeit sale of Nescafe coffee?

Order: This case was filed in 2014 and is related to the allegation of the counterfeit sale of coffee with the 'NESCAFE' packaging. The suit has expanded to more than 200 Defendants at this stage, from whom the recoveries were stated to have been made of counterfeit packaging and products.

The Plaintiffs belong to the Nestle Group, which was founded in 1866. The Plaintiffs claim to be in the business of manufacturing and marketing over 200 varieties of coffee worldwide under the trade name 'NESCAFE'. Plaintiff No. l first introduced its products under the trade mark 'NESCAFE' in 1938; in India, it was introduced in 1940. The Plaintiff No. l has also obtained separate trade mark registration for its trade mark 'RED MUG' logo (RED MUG device depicted upon a bed of coffee beans against a halo) with the trade mark 'NESCAFE' as also for its trade mark 'NESTLE'.

The case of the Plaintiffs is that the Defendants in the present case are manufacturing and selling counterfeit edible goods using Plaintiff's marks 'NESCAFE'.

Initially, an injunction was granted in this case via an order dated 28 November 2014. the Defendants were injuncted from manufacturing and selling products bearing the mark 'NESCAFE', 'RED MUG' logo or any other logo which is deceptively similar to Plaintiff's mark 'NESCAFE'.

The Court noted that the issue that would arise is whether a suit can be continued perpetually to restrain and control counterfeit Nescafe coffee from being sold. Since 2014, a total of 212 Defendants have pleaded in this suit, and a large number of Defendants have settled and suffered a decree in terms of an order dated 17 January 2018.

As per the order dated 17 January 2028, the Defendants who wish to settle the matter and suffer a decree were permitted to pay a sum of Rs.6,000/- as damages.

The Court noted that there can be no doubt that any party cannot sell counterfeit coffee sachets. This suit is in the nature of a John Doe order wherein the Defendants are being pleaded from time to time, and services of Local Commissioners are also being availed for effecting seizure.

The Court stated that in such cases, the Plaintiffs always have the option of complaining to the authorities, but it appears that the remedy may not be so effective. Accordingly, all the Defendants who are impleaded in this suit are permanently restrained from manufacturing, selling, or offering for sale directly or indirectly counterfeit Nescafe products, including the Nescafe coffee packet, red mark logo, etc. Such of the Defendants who pay the sum of Rs.6,000/- to the Plaintiffs, in lieu of damages in respect thereof, shall be governed by the order dated 17 January 2018. In the case of those parties who do not pay the said amount, the suit would only be tried in respect of damages.

The Plaintiffs submitted that insofar as those defendants where seizure is effected and less than 100 packets which are counterfeit are found, the Plaintiffs are willing to abide by the order dated 17 January 2018.

The Court held that any additional Defendants who may be impleaded are concerned, the Plaintiffs are free to file an affidavit before the Joint Registrar and upon satisfying the Joint Registrar, the Local Commission would also be executed, and the said parties shall also be impleaded as Defendants in this suit.

197. Scotch Whisky GI Protection Clarified by Madhya Pradesh High Court

Case: Scotch Whisky Association vs J.K. Enterprises [Misc. Petition No. 4543 of 2021]

Forum: Madhya Pradesh High Court

Order Dated: December 18, 2023

Issues:

- Whether in an application under O7/R11, can the Civil Court hold non-joinder of a party to be fatal to the suit or direct for impleadment of any party as a necessary/proper party to the suit?
- Whether under Section 21(1), GI Act RP can bring the suit for infringement in its own capacity or must join AU to make the suit maintainable. How should the word ‘and’ occurring under Section 21(1) be read and; conjunctively or disjunctively, as specifying two classes simpliciter, who can institute the suit for infringement of GI?
- Whether the complaint disclose a cause of action under O7/R11 for it to be maintainable?

Order: The petitioner is a company incorporated under the laws of the United Kingdom, holding additional protection granted by the Government of India under Section 22(2) of the GI Act since November 28, 2011.

The petitioner filed a GI Application no. 151 as an RP applicant for the grant of ‘Scotch Whisky’ on January 5, 2009, and it was granted the status of GI on September 23, 2010. The petitioner herein challenges an order dated 28-10-2021 issued by the Commercial Court in District Indore. The Commercial Court had partially allowed the application under Order VII Rule 11 CPC, contending that the suit for the infringement of the Scotch Whisky Geographical Indication (GI) is permissible only after impleading of “Authorised User” as mandated by Section 21 of the GI Act.

The original lawsuit was initiated to obtain a restraint order against defendants, including J.K. Enterprises, for their involvement in the manufacture, sale, or marketing of whisky that does not adhere to the standards of Scotch Whisky under the mark 'London Pride.' The Commercial Court ruled that the impleadment of the Authorised User is necessary for the suit to be considered maintainable.

The petitioner argued they could sue as the rightful plaintiff (RP) without including the Authorized User (AU) and cited relevant provisions and rules of the GI Act, asserting separate treatment for RP and AU. The respondent initially didn't contest AU's absence but later dropped the argument. The petitioner stressed that an O7/R11 application couldn't mandate AU's inclusion at that stage, and the Court should only consider factors specified in O7/R11.

The respondent contended, while referring to provisions and rules that only the authorised user (AU) has the right to institute a suit or claim the GI tag. Further, the defendant argued that any other entity, including the registered proprietor (RP), lacks the independent entitlement to sue for infringement without the involvement of the AU. The argument emphasises the conjunctive interpretation of Section 21(1)(a) of the GI Act, asserting that both AU and RP must be necessary parties in a suit for infringement. The defendant supports the Trial Court's direction to include AU as a party, citing the Court's inherent powers under O7/R11, CPC.

Despite the initial inclination to remand the matter to the Trial Court, both parties agreed to have all issues decided by the current Court to avoid piecemeal adjudication.

The Court initially contemplated sending the case back to the Trial Court but opted to adjudicate all issues on their merits, considering the pendency of the petition since 2021. Both parties urged a decision on the interpretation of Section 21 of the GI Act. The Court emphasised the importance of interpreting Section 21, highlighting the lack of precedents in the country since the enactment of the GI Act.

The Court determined that under Order 7, Rule 11 of the Civil Procedure Code, the Trial Court cannot direct the impleadment of a necessary/proper party for the continuation of the suit. The rejection or return of the plaint cannot be based on non-joinder or joinder of necessary parties as grounds specified under Order 7, Rule 11.

The Trial Court is not permitted to undertake such an inquiry during this stage, and the examination of the necessity of joinder or implication of non-joinder should be done during the course or further stages of the trial, particularly at the stage of framing issues. This view has been consistently upheld by various High Courts, including the Delhi High Court, Madras High Court, Patna High Court, and Telangana High Court.

The Court referred to relevant legal precedents and harmonised domestic laws with international conventions. Analysing the Geographical Indications Act and TRIPS Agreement, it affirmed the equal rights of the Registered Proprietor and Authorized User in enforcing GI protection. The Court rejected the argument that the Registered Proprietor is dependent on the Authorized User and clarified their independent entitlement to GI protection.

Therefore, the argument presented by the respondent asserting the exclusive role of AU lacks substance was also rejected, and the Court went on to assert that the trial court's decision requiring the impleadment of AU along with RP in the suit proceedings is also deemed incorrect in light of the discussed points.

Notably, the Court interpreted the term “and” & “or” between Section 21(1)(a) and Section 21(1)(b), highlighting the RP's right to obtain relief and the exclusive right of the AU to use the registered GI. It concluded that the RP has standalone legal status and rights under the GI Act, making impleadment of the AU optional in suits under Sections 21 and 68 of the GI Act.

The third issue centres around the rejection of the petitioner's complaint under Order 7, Rule 11(a) for allegedly lacking a cause of action and this remedy serves as an independent mechanism to terminate the suit from the start.

After examining the details, the Court found a valid cause of action in the case. The person initiating the case, i.e., the registered proprietor, had the right to sue for infringement under the GI Act. The detailed statements about Scotch Whiskey and the harm caused by the other party indicated a valid reason to proceed.

Furthermore, the Court noted that the failure to include the AU in a suit for infringement filed by the RP cannot be a valid reason for the rejection of the plaint under Order 7 Rule 11 of the CPC and rejected the contention that the plaint fails to disclose a cause of action and set aside the impugned order, directing the Trial Court to proceed in accordance with the law.

198. Dominant Feature Rule is not Antithetical to the Anti-Dissection Rule: Delhi High Court

Case: Bennet, Coleman, and Company Ltd vs Fashion One Television LLC and Anr [C.O. (COMM.IPD-TM) 255/2021]

Forum: High Court of Delhi

Order Dated: December 18, 2023

Issue: Whether the marks of the plaintiff and defendant have the likelihood to cause confusion or deception amongst the public?

Order: Numerous factors are taken into consideration while assessing the likelihood of confusion between two rival marks, such as the visual appearance of the marks, goods and services covered by the rival marks, the trade channels involved, etc. The anti-dissection rule is essential when comparing trademarks in India to ascertain the likelihood of confusion or deception in the minds of consumers and the public. The anti-dissection rule states that while comparing rival marks, the marks are to be viewed as a whole, in their entirety, and not dissected into individual elements. The rule is based on the assumption that the commercial impression on the average consumer is created by the composite mark as a whole and not by its individual elements or components. At the same time, the rule of dominant feature entails that using essential features of a registered trademark, even without using the whole of it, would lead to infringement.

The Petitioner, Bennet, Coleman and Company (hereinafter referred to as the **"Petitioner"**) being the proprietor of the registered marks "TIMES NOW", "ET NOW", "MOVIES NOW", "ROMEDY NOW", and "MIRROR NOW" in Class 38 pertaining to television, telecommunications and broadcasting services sought the cancellation of the registered marks FASHION now /FASHION NOW and Fashion Now /FASHION NOW in the name of Fashion One Television LLC and Anr., and Fashion One

Television LLC, USA (hereinafter referred to as the "**Respondents**") in class 38 in respect of the same services.

For analysing whether the marks have the likelihood to cause confusion or deception amongst the public, the Court relied on a similar judgment passed by this Court in the case of ***Bennet, Coleman and Company Ltd. v. Vnow Technologies Pvt. Ltd***. In this case, the petitioner, who is also the Petitioner in the present case, was aggrieved by the registration of the mark VNOW in class 38. The court earlier observed that proprietorial rights can emerge from a family of marks held by a registrant where prima facie it is shown that the plaintiff has developed a 'family of marks' and by merely changing the first word (i.e. the non-dominant feature) of the mark, there is every possibility of confusion being caused both in trade and in the mind of any person desiring to purchase the product. This Court observed that the 'NOW' -centric 'TIMES NOW', 'ET NOW', 'MOVIES NOW', 'MIRROR NOW' and 'ROMEDY NOW' marks constitute a 'family of marks'..

By virtue of the 'anti-dissection rule' established under Section 17(1), which states proprietorial rights conferred by registration are for marks as a whole. Section 17(2)(a), which disentitles exclusivity in respect of part of a mark registered as a whole, the petitioner has rights of exclusivity to the mark as a whole and not in respect of the 'NOW' part of each of the marks. However, this anti-dissection rule has a caveat as elucidated by this Court in ***South India Beverages Pvt Ltd v. General Mills Marketing Inc,*** where it was observed that while a mark is to be considered in entirety, it is possible to accord more importance or 'dominance' to a particular portion or element of a mark which enjoys greater prominence vis-à-vis other constituent elements of a composite mark.

The rationale of the anti-dissection rule is based upon the assumption that an average purchaser does not retain all the details of the mark, but rather the mental impression of the mark creates in its totality and, therefore, focusing on the prominent feature of a mark to decide the likelihood of confusion while ignoring the mark as a whole is held as violation of the anti-dissection rule. However, the Court in ***South India Beverages*** held that the principle of anti-dissection does not impose an absolute embargo upon consideration of constituent elements of a composite mark as a preliminary step on the way to the determination of probable customer reaction to conflicting composites as a whole. Therefore, the principle of 'anti-dissection' and identification of 'dominant mark' are not antithetical but complement each other if viewed holistically. It was emphasised that consideration of a trademark as a whole would not condone infringement where less than the entire trademark is appropriated, and thus, dominant features are significant in such cases as the consumer is likely to remember and rely on dominant features for purposes of identification of product and source rather than descriptive or generic components of a mark.

In accordance with the same, this Court observed that the consumers would obviously identify 'NOW' as the distinctive common feature of all the 'NOW-centric' marks and therefore, NOW would serve as the dominant part of the marks. Any viewer with average intelligence and imperfect recollection who were to come across another channel providing similar services with a title of which 'NOW' is the latter part would likely regard the channel as part of the petitioner's repertoire or at least as having association with the NOW-family of channels of the petitioner.

Applying the reasonings mentioned above of the ***Bennet Coleman*** judgment, mutatis mutandis, to the present case, the Court observed that the impugned marks of FASHION now /FASHION NOW and Fashion Now /FASHION NOW of Respondents are registered in the very same services as the marks of the Petitioner and due to the subsisting interest in the 'NOW' family of marks by the Petitioner, they are indelibly associated with the Petitioner. As a result, the Court held that the impugned marks of the Respondents cannot be allowed to continue on the register in Class 38.

By following the decision of ***Bennett Coleman, the Court has solidified the position that both anti-dissection and dominant feature rule can coexist with the adoption of a holistic approach when it comes to the*** comparison of conflicting marks. Due to such a decision, proprietors of family marks can enjoy a higher degree of protection and exclusivity of their mark when dominant elements of their marks are compared to conflicting marks. This may pose a risk of giving prominence to the rule of dominant feature over the rule of anti-dissection. Therefore, it is imperative to strike a balance between both, keeping in mind the ultimate goal of protecting the consumers, trade members and public from any likelihood of confusion or deception.

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199. Packaging, Design and Labelling: Infringement in the Beverage Industry

Case: Devans Modern Breweries Limited vs Jagpin Breweries Limited [CS(COMM) 173/2022]

Forum: High Court of Delhi

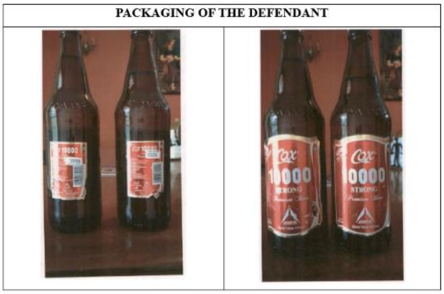
Order Dated: December 18, 2023

Issue: Whether the use of plaintiff's 'DEVANS' glass bottles by the defendant constitute to trademark infringement?

Order: In a suit filed by Modern Breweries Limited, the Delhi High Court considered whether the markings embossed on a bottle are sufficient to create an association between the bottle and the manufacturer such that it prevents third parties from using the said bottle when such practice is prevalent in the beverage industry.

The plaintiff claimed to be a manufacturer of beer and sold them under various marks, all sharing a common factor: the bottles used by the plaintiff were embossed with the DEVANS mark. The defendant, Jagpin Breweries Limited, sold beer under the mark COX 1000 Strong Premium Beer, albeit packaged in the bottles of the plaintiff, prompting a suit. This resulted in an injunction against the defendant, as per the order dated July 22, 2019. The packaging is shown below:

PACKAGING OF THE DEFENDANT



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The defendants contended that the bottles they used were sourced from scrap dealers and that there was no intention to use the plaintiff's bottles specifically. They also argued that the bottles were wrapped and packaged in boxes containing the label of the defendant and, therefore, it was not the bottle that was visible to the consumer at the time of purchase but only the Defendant's label and stated that the design of the bottle is irrelevant when the purchase is made on the basis of the Defendant's label. They argued that the claim cannot be sustained because the plaintiff's bottles are not distinctive such that they are identifiable when placed alongside other bottles in restaurants or bars.

The court noted the established legal principle that bars the reuse of bottles branded by a third party. It was held that utilising bottles with the 'DEVANS' name embossed on them may give consumers the impression that the 'COX' beer sold by the defendant originates from the plaintiff's line of products.

The Court held that usage of bottles bearing DEVANS by the Defendant would amount to infringement under Section 29 of the Trade Marks Act, 1999, since it creates the impression that the defendant's products originate from the plaintiff's line of products. This judgment grants clarity on the sale of beverages manufactured by third parties packaged in bottles manufactured by others.

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200. Permanent Injunction Against Defendant for Selling Goods in Similar Trade Dress

Case: Castrol Limited vs Pawan Kumar, Trading as Bluextar [CS(COMM) 576/2023]

Forum: High Court of Delhi

Order Dated: December 18, 2023

Issue: Whether the defendant, Pawan Kumar, trading as Bluextar, was infringing on the plaintiff, Castrol Limited's, registered trademarks and engaging in passing off?

Order: This case was filed by the plaintiff Castrol Limited against the defendant Pawan Kumar, Trading as Bluextar, for infringement of its registered trademarks and passing off its goods as those of the plaintiff by adopting a trade dress which is similar to that of the plaintiff and copying various distinctive features thereof.

The plaintiff is a company founded in the United Kingdom in 1899 and claims to be the world leader in the field of lubricants, oils, coolants and grease, and related services, particularly in the automotive, industrial, marine and aviation sectors. The plaintiff is a proprietor of several marks. The plaintiff sells engine oils and lubricants in containers which bear the following distinctive appearance:

The plaintiff's grievance was that the defendant was manufacturing and marketing motor oils and lubricants in containers that mimic the plaintiff's containers and incorporate various distinctive features of the plaintiff's design. It was also alleged that the defendant was infringing the plaintiff's registered trademark. A comparison of the plaintiff's and defendant's marks is shown below:

		The overall colour scheme, get-up and layout of the rival packaging are deceptively similar. The Defendant has only made minor alterations such as the replacement of the CASTROL Device mark with the BLUEXTAR Device mark and made other insignificant changes.

The Court noted that the marks ACTIVE, MULTI POWER, ULTRA POWER, POWER JET, TURBO MAX, and ACTIVEBOND, as well as the  ("Oil device") and 

device marks, are deceptively similar to the plaintiff's registered trademarks and the marks of which the plaintiff has sought registration. The defendant's container is also similar in colour to the container of the plaintiff, and the label used by the defendant also replicates a colour scheme similar to that contained on the plaintiff's label with a white upper half and a green lower half, containing the oil device of the plaintiff and words "ACTIVE" in black written above the green lower half of the label.

The Court opined that these factors are bound to result in confusion in the minds of a consumer of average intelligence and imperfect recollection between the products of the defendant and the plaintiff. As such, the use, by the defendant, of the impugned marks and the adoption, by the defendant, of a trade dress which is deceptively similar to that of the plaintiff is clearly with a view to pass off the defendant's products as those of the plaintiff.

In these circumstances, while issuing summons in the suit, the Court, vide order dated 21 August 2023, granted an interim injunction and appointed a local commissioner to visit the premises of the defendant and inventories and take the infringing products into custody. The Court noted that the report of the local commissioner reveals that, at the premises of the

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defendant, 220 units of filled containers, 40 units of stickers, 25 units of empty containers and 450 empty cartons were found and taken into custody.

The defendant, Pawan Kumar, appeared in person and submitted that he does not seek to contest the case.

The Court decreed the case on the following terms:

(i) There shall be a permanent decree of injunction restraining the defendant as well as all others acting on his behalf from manufacturing, offering for sale, selling, displaying, advertising, marketing, directly or indirectly, physically or virtually, any goods, engine oil, coolants, lubricants or any other similar, related, allied or cognate goods bearing any of the marks registered in favour of the plaintiff or the marks ACTIVE, ACTIVEBOND, ULTRA POWER, MULTI POWER, or any other mark which is identical or deceptively similar to the plaintiff's marks.

(ii) The defendant, as well as all others acting on his behalf, shall stand restrained from manufacturing or selling motor oils, coolants or any other allied or cognate goods in the impugned packaging or any other packaging which bears the trade dress which is confusingly or deceptively similar to the trade dress in which the plaintiff sells its products or copies any of the essential features thereof.

(iii) Given the facts of this case, the Court opined that the defendant necessarily must be subjected to costs. Accordingly, the defendant shall pay representative costs to the plaintiff of ₹ 2 lakhs within a period of four weeks from today.

201. Ad Interim Injunction Granted Based on Similar Packaging of Cosmetic Products

Case: M/s Blue Heaven Cosmetics Pvt. Ltd. vs Mr Anish Jain Trading as M/s Navkar Cosmo [CS(COMM) 913/2023 & I.As. 25692-95/2023]

Forum: High Court of Delhi

Order Dated: December 20, 2023

Issue: Whether the Defendants' use of the mark 'NAMO NAVKAR' and similar packaging for their cosmetic products constituted an infringement of the Plaintiff's intellectual property rights, including trademarks, trade dress, and copyrights?

Order: This is filed by the Plaintiff - M/S BLUE HEAVEN COSMETICS PVT. LTD., which sells cosmetics under the brand 'BLUE HEAVEN'. The packaging used by Plaintiff with respect to its cosmetic products is the subject matter of this suit.

The Plaintiff's 'BLUE HEAVEN' mark has been an established brand since 1972 in India as well as overseas with respect to cosmetic products included in classes 03 and 35 under the provisions of the Trademarks Act, 1999. Further, it was also stated that Plaintiff had protected its rights in its packaging/label, etc., by seeking registration of its trademark/ trade-dress/colour combination as well as copyright registration.

The Plaintiff's case is that it has adopted extremely distinctive packaging for various products, including Eye Liner, Kajal, Mascara, and other cosmetic products that are used regularly. The said packaging has several distinctive elements, including a white background, stylized writing, and other creative elements. The colour combination and the writing style of various descriptive and distinctive matters are also unique to that of the Plaintiff. The subject matter of the suit is the following three packaging of the Plaintiff relating to 'BLUE HEAVEN GET BOLD EYELINER' waterproof, 'BLUE HEAVEN GET BOLD MASCARA' and, 'BLUE HEAVEN CLASSIC KAJAL'.

The Plaintiff's case is that the Defendants, Mr. Anish Jain, were trading as M/S Navkar Cosmo and Mr Atinder Kumar Jain are manufacturing and selling cosmetics under the mark 'NAMO NAVKAR', which had identical packaging to that of the Plaintiff's packaging.

Plaintiff stated that the Defendants had adopted similar expressions by using the words 'GET BOLD', which was changed to 'NEW BOLD', and including the writing style, which was completely copied. In addition, the artwork used for packaging the kajal was also completely copied. The competing images are set out below:

The Plaintiff further pointed out the specific artwork, which is a registered trademark bearing no. 2279280 in class 3, which was registered since 8th February 2012.

The Court opined that the products involved are cosmetics in the present case. Clearly, the use of such identical artwork and packaging is likely to create deception amongst the consumers that the Defendants' products also emanate from that of the Plaintiff. Defendants' use of a similar mark/ packaging in similar combinations not only raises concerns about potential confusion but also suggests an attempt to free-ride on the Plaintiff's established reputation.

The Court further opined that the Plaintiff has made out a prima facie case for the grant of an ad interim injunction. Considering the products in question are cosmetic products, the balance of convenience is also clearly in favour of the Plaintiff.

Accordingly, the Court granted an interim injunction in favour of the Plaintiff, restraining the Defendants and anyone acting for and/or on their behalf from using, manufacturing, or offering for sale the three cosmetic products which are imitative of the Plaintiff's products and packaging:

202. Trademark Registration Allowed after Clear Delineation Between Disputing Parties' Goods and Services

Case: BSA Business Software Alliance Inc. vs Tube Investments of India Ltd. & Anr. [C.A.(COMM.IPD-TM) 28/2023 & I.A. 19774/2023]

Forum: High Court of Delhi

Order Dated: December 21, 2023

Issue: Whether the rejection of the petitioner's applications for the registration of the mark 'BSA' in classes 16, 35, 41, and 42 by the Registrar of Trademarks was valid?

Order: The Petitioner-BSA Business Software Alliance, Inc. filed 4 appeals challenging the impugned order dated 25th April 2023, passed by the Registrar of Trademarks. Vide the said order, the oppositions filed by the Respondent have been allowed. The Appellant's applications for registration of the mark 'BSA' bearing number 1678256 in classes 16, 35, 41, and 42 have been rejected by the Registrar of Trademarks.

BSA Business Software Alliance, Inc. is a non-profit trade association claiming to advance the goals of the software industry and advocate for public policies that foster technology innovation and drive growth in the digital economy. It undertakes various compliance activities on behalf of the software companies, and almost all the largest software makers are members of the said association, such as Adobe Systems, Apple Inc., Bentley Systems, Cisco, Dell, IBM, Microsoft, McAfee, etc.

The Appellant also claimed to coordinate on a global level and take action against software sellers and end-user organizations that make unauthorized copies of software, as well as coordinate with enforcement agencies to enforce copyright laws.

On the other hand, Respondent No.1- Tube Investments of India Limited is also a well-known Chennai-based company which has been using the mark 'BSA' since 1950. Its mark is registered, bearing no. 1498332 in class 35 for bicycles, cycle components, accessories, electric scooters, fitness equipment and other related products. The Appellant's trademark applications were opposed by BSA Cycles, which led to the impugned orders being passed.

When the appeals were taken up for hearing on 13th October 2023, the Respondent No.1 submitted that due to extensive use of the mark 'BSA', the Respondent No.1 intends to seek a declaration as a well-known mark and also that there are various other disputes which are pending between the parties before the Trademarks Registry opposition proceedings.

The Court opined that there ought to be a broad delineation of services between the 'BSA', i.e., Business Software Alliance and 'BSA' used by the Respondent for bicycles and allied products. The Court directed the parties that the same ought to be agreed upon between the parties so that the respective marks can be registered, and the parties do not sue each other with respect to products and services which they agree upon.

In order to have some clarity, the final goods and services as agreed between the parties for which the Appellant can obtain registration were set out below:

- "Class 16: printed materials, namely, annual reports, announcements, posters, teaching guides, flyers, postcards, mailers, brochures, pamphlets, booklets, and reports on the subject of copyright protection for computer software products, computer software copyright.
- Class 35: promoting the interests of the software and e-commerce industries.
- Class 41: educational services, namely, arranging, coordinating, and conducting symposiums, conferences, presentations, workshops, classes, training sessions and seminars on the subject of copyright protection for computer software products, computer software copyright enforcement, copyright piracy and international software trade issues, and educational materials distributed in connection therewith.
- Class 42: Provide a website with information on copyright protection for computer software products, computer software

copyright enforcement, copyright piracy and international software trade issues."

Insofar as the Respondent's case that it was entitled to a declaration as a well-known mark in class 12 was concerned, it was clarified that if and when the Respondent No.1 seeks such a declaration either in a suit proceeding or before the Registrar of Trade Marks, the present settlement shall not come in the way of the Respondent No.1 being declared in class 12 as a well-known trade mark as the Appellant has no objection to such a declaration in class 12. The appeals were disposed of in the above terms.

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COPYRIGHT

1. Indian Film Production Giant Yash Raj Films Sues Triller for Copyright Infringement

Case: YashRaj Films Private Limited vs Triller Inc [CS(COMM) 9/2023]

Forum: High Court of Delhi

Order dated: January 1, 2023

Issue: Whether Plaintiff's copyright work has been infringed by the defendant's platform or not?

Order: The Plaintiff, in this case, has alleged copyright infringement by the Defendant's platform, which allows users to upload audio-visual

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content/short videos that may contain the Plaintiff's copyrighted works. The Plaintiff sought relief through an application under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC).

The Court had granted an exemption to the Plaintiff for filing the original, clear, and legible copies of the documents within four weeks, as it is necessary to establish the Plaintiff's claims. The Court has also registered the Plaintiff's Plaint as a suit and ordered the Defendant to file a written statement within 30 days from the date of the order to understand the Defendant's defence.

Both parties have been ordered to file all original documents in support of their respective claims, along with an affidavit of admission/denial of the other party's documents, to avoid any ambiguity in the future. After hearing the parties, the Court directed the matter to mediation, but the mediation failed, and the matter is now back in court and is pending.

2. Artist Cannot be Compelled to Work Forcefully under Contract

Case: Global Music Junction Pvt. Ltd. vs Annapurna Films Pvt. Ltd. [CS(COMM) 715/2022]

Forum: High Court of Delhi

Judgment Dated: January 6, 2023

Issue: Whether the plaintiff's suit requesting a declaration of their rights, title, and interest in the content created by the defendant is a request for specific performance of a "contract of service" disguised as an injunction for copyright infringement?

Order: The plaintiff filed a suit for a declaration that they have all the rights, title, and interest in the content created by the defendant. The plaintiff also sought a decree permanently restraining the defendants from infringing their copyrights and intellectual property rights. However, the court found that the plaintiff cannot claim copyright in songs/content yet to come into being, and the suit is only a request for specific performance of the contract disguised as an injunction for copyright infringement. The plaintiff is engaged in producing, aggregating, distributing, and monetising music and entertainment content, while defendant No. 1 is involved in producing, marketing, and monetising such content. Defendants 2-4 are entertainment channels on the platform of defendant 5, YouTube LLC, an online video-sharing and social media platform. The plaintiff and defendant 6 had entered into a production agreement, and a breach occurred when the artist released songs to third parties, violating the exclusivity clause. The parties resolved the issue and added an appendix with some clauses, including a right of first refusal in favour of the plaintiff company. Despite this, disputes arose between the parties, and the artist terminated the original agreement allegedly in blatant infringement of the plaintiff company's copyrights and exclusivity. The plaintiff's company filed the present suit. The court found that the contract was a "contract of service" and depended on the personal qualifications of the artist, making it not specifically enforceable under Section 14(c) of the Specific Relief Act, 1963. The court also held that since the parties had lost mutual trust and confidence, the contract, being determinable in nature, was not enforceable under Section 14(d) of the Specific Relief Act, 1963. Therefore, the court concluded that it is a suit for specific performance of a "contract of service," which is barred under Section 14(c) and (d) of the Specific Relief Act, 1963.

3. The Curious Case of Stream Ripping and Copyright Infringement

Case: Sony Music Entertainment India Pvt Ltd and Ors vs. Yt1s.Com and Ors [CS(COMM) 13/2023]

Forum: High Court of Delhi

Order Dated: January 12, 2023

Issue: Whether providing copyrighted content hosted on various platforms by the Defendants amounted to stream ripping and copyright infringement?

Order: The Plaintiff has filed the suit for copyright infringement against the Defendants, which engaged in providing copyrighted content on various platforms, namely, YouTube, wherein content can be downloaded in MP3 or MP4 format by copying the YouTube link in the space provided on the rogue websites. The Plaintiff relied on the UTV Software Communication Ltd. case *v. 1337X.TO*, to enumerate the criteria required for websites such as the Defendants to be categorised as 'rogue websites.' The plaintiff also argued that the acts committed by the Defendant's websites amounted to stream ripping.

It was further contended that the WHOIS details of the Defendant's websites were masked, which made it impossible to pursue such websites through separate proceedings for copyright infringement and to prohibit and block access to such websites in India. In addition to seeking the blocking of Defendant Nos. 1 to 18 websites, the plaintiff also prayed for a permanent injunction against any other mirror/redirect/alphanumeric websites or any other website associated with the Defendants.

The Court, at the outset, maintained that a prima facie case was made out in favour of the Plaintiff that justified the grant of interlocutory injunctive relief and directed that the plaint be registered as a suit and that summons be issued to all Defendants arrayed in the suit. The Court also directed that the parties file their respective responses within the timelines provided in the order. Further, the Court permitted exemption from the requirement of pre-institution mediation considering the unknown identity of the

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Defendants. The Court further granted exemption to the Plaintiffs from Section 80 of the Code of Civil Procedure, 1908 and filed separate suits against the Defendants.

Accordingly, the Court granted an interlocutory order whereby Defendant Nos. 1 to 18, as well as any mirror websites, be restrained from hosting, reproducing, distributing, facilitating or making available to the public works in which the plaintiffs hold copyright or facilitating the downloading and dissemination of such works in any manner whatsoever and directed Defendant Nos. 19 to 27 to block access to the websites operated by Defendant Nos. 1 to 18 in India that are engaged in stream ripping and infringement of the Plaintiff's copyrighted work.

The Court also specifically directed the governmental authorities, i.e., Defendant Nos. 28 and 29, to issue a notification calling upon internet service providers (ISPs) registered under the said Defendants to block access to websites, or any mirror websites operated by Defendant Nos. 1 to 18 and provided a timeline of one week for compliance of the directions. The Court also observed that the role of the Joint Registrar would not involve any exercise of adjudicatory functions regarding infringement and only requires the learned Joint Registrar to facilitate the implementation of the order passed by this Court by ensuring that the website that is being blocked in, in fact, a mirror or alphanumeric *avatar* of the websites which already stand injuncted by the previous order passed by this Court.

Accordingly, the Court directed that in the event of a mirror/alphanumeric website of Defendant Nos. 1 to 18 coming into existence, the Plaintiffs will be entitled to file an affidavit before the Joint Registrar, who shall, upon ensuring that the website is indeed a mirror website, issue directions to the ISPs to disable such mirror websites.

4. No Relief to Sci-Hub Founder in Copyright Infringement Matter

Case: Elsevier Ltd. And Ors vs Alexandra Elbakyan and Ors. [CS(COMM) 572/2020]

Forum: High Court of Delhi

Order dated: February 09, 2023

Issue: Whether the Plaintiff's assignment agreements, which are relied upon to claim copyright ownership of the impugned works, are valid under the Indian Contract Act and the Copyright Act?

Order: The High Court of Delhi has rejected the plaint by Ms. Elbakyan on the grounds that it does not disclose a cause of action and is barred by law. The argument put forth is that the assignment agreements relied upon by the Plaintiffs do not confer ownership of copyrights on the impugned works as they are void under the Indian Contract Act, 1872. The plaintiff was required to pay royalty and other consideration to the authors in exchange for the exclusive right to publish and distribute the articles, failing which the agreements are invalid. Ms. Elbakyan also argues that the assignment agreements relied upon by the Plaintiffs are irrelevant as they pertain to the publication of books and not articles for which the suit is filed against Ms. Elbakyan. However, Ms. Elbakyan, in her written statement, had admitted that the Plaintiffs are owners of the copyright in the subject works.

The Court notes that Order VII Rule 11 of CPC helps streamline the judicial process by reducing the burden on the courts, as it permits weeding out of cases that are not worthy of its attention. However, the well-settled legal proposition is that while deciding the application under Order VII Rule 11 of CPC, only averments made in the plaint are germane, and contrary pleas taken by defendant (s) on merits are immaterial. The case, as set out in the plaint, discloses the cause of action; therefore, the ground for seeking rejection of the plaint has no merit.

The Court also notes that the admission of Ms. Elbakyan qua copyright in favour of plaintiffs makes the legal question urged in the application,

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founded on the construction of the agreements, no longer a pure question of law. The dispute relating to the validity of such agreements regarding adequacy or sufficiency of economic/monetary consideration itself is a question of fact and plea advanced in the instant application, founded on provisions of the Copyright Act, which would require adjudication on facts.

Therefore, the Court dismisses the application by Ms. Elbakyan, invoking Order VII Rule 11 of CPC for rejection of the plaint. The case will proceed to trial where the legality, veracity and relevancy of such agreements cannot be undertaken at this stage.

5. License to Translate Literary Work: The Copyright Dilemma

Case: Anil G. Karkhanis vs Kirloskar Press and Another [Commercial Miscellaneous Petition No.1 of 2022]

Forum: High Court of Bombay

Order Dated: March 21, 2023

Issue: Whether the Court can grant the Petitioner license under Section 32 of the Copyright Act, 1957 to translate a literary work without the authorisation of the author?

Order: The Petitioner filed the petition before the Court to invoke Section 32 of the Copyright Act, 1957 (Act) and Rule 32 of the Copyright Rules, 2013 (Rules) for a grant of licence to produce and publish a translation of a literary work titled "The Spirit's Pilgrimage" in Marathi language and a further direction to the Registrar of Copyrights to notify such grant of licence in the Official Gazette and to post the same on the website of the office of the Registrar of Copyrights.

The petitioner, on previous occasions, had satisfied the Court that a case was made out for publication of appropriate notice as per Rule 33 of the aforementioned Rules, and it was directed that such a notice would be published by the Registrar of Copyrights and according to the Court vide its earlier order dated October 11, 2022, directed that such notice be published in two newspapers, i.e. Free Press Journal and Loksatta (Marathi).

The petitioner also submitted that the original publishers of the work (Orient Longmans Pvt. Ltd. (in India) and Longmans, Greens and Co. (Britain) have undergone restructuring, and that the Pearsons Education group has taken over the Longman name globally and upon writing to the Orient Blackswan Pvt. Ltd., the petitioner was informed that the group does not deal with autobiographies and is not connected to Longmans. Regarding the Pearsons Education group, the petitioner no response was received from the same. The petitioner further submitted that he has been reading Marathi books since childhood, has a large collection of Marathi literature, and is an advocate with the financial capability to pay the royalties. The petitioner also submitted that the retail price of the translated book will be around INR 450/- and specifically stated that he does not intend to publish more than 1000 paperback copies considering that the prevailing rate of maximum royalty is 7.5% or 8% for most authors for paperbacks, he is willing to pay 8% royalty for the translated version making the total royalty payable at Rs. 36,000/- (8% X Rs. 450 per copies X 1000 copies).

At the outset, the Court observed that the aforesaid directions by the Court vide order dated October 11, 2022, were complied with and that no objection was raised by any person within the 120-day period wherein any third party could oppose the petitioner's interest in the copyright of the work. The Court further also permitted the amendment of the prayer clause as pleaded by the petitioner and observed that the specific requirements for the grant of a license for translation can be granted, which, according to the Court, has been satisfied.

The Court further perused the particulars and reference in the pleadings, which detailed the year when the subject matter work was first published, details of the publisher, the proposed price of a copy of the work to be translated and the number of copies of the translated work to be published as well as the undertaking by the petitioner with respect to deposit fees for grant of such license. The Court also observed that the petitioner was not able to find the author, nor her family members and other submissions put forward by the petitioner. The Court also took note of the petitioner's submission that the intention behind seeking the license to translate the work is the larger public interest involved, and considering the diverse set of languages spoken in the country, the order will surely enable the widespread reach of the work among the Marathi speaking population. The Court accordingly allowed the petitioner's prayer for translation of the literary work titled 'The Spirit's Pilgrimage' in Marathi, granting him the license with the condition that the petitioner undertakes to deposit the royalty in the Court, which shall be payable to the right owner as and when directed by the Court.

6. Is Royalty the Same as Consideration? Madras High Court Answers in a Copyright Declaration Suit

Case: Ghanshyam Hemdev vs Bharathi Raja [C.S.No.97 of 2021]

Forum: Madras High Court

Order Dated: March 31, 2023

Issues:

- Whether the agreement dated June 16, 2014 executed by the defendant in favour of the plaintiff is valid or is it vitiated on the ground of undue influence?
- Whether the suit is not maintainable on the ground that the plaintiff did not approach the Copyright Board before instituting the suit?
- Whether the agreement dated June 16, 2014 suffers from inadequacy of consideration as alleged by the defendant and hence, the plaintiff is not entitled to seek for any remedy against the defendant?
- Whether Section 31D of the Copyright Act, 1957 will apply to the facts of the present case?
- Whether Section 19(3) of the Copyright Act, 1957, will mandate that every assignment must have royalty and consideration separately in order to enforce the same?
- Whether the plaintiff is entitled to the relief of declaration and injunction as sought for in the suit?
- To what other reliefs are the parties entitled?

Order: The plaintiff of the present suit is in the business of acquiring, distributing, and exploiting the copyrights in cinematograph films, whereas the defendant is a Tamil film Producer and Director. On June 16, 2014, the plaintiff via an assignment agreement and addendum agreement with the defendant acquired exclusive Internet and digital rights in respect of 19 cinematograph films including rights of exploitation on all mobile and portable media devices. Since the date of this agreement, the plaintiff has been exploiting the internet rights in the films on various digital mediums including Amazon OTT.

Subsequently, the defendant sent an objection to Amazon India OTT platform in respect of the exhibition of the said films, because of which, those films got blocked by Amazon. The plaintiff then sent an email to the defendant to withdraw his objections considering the assignment agreement. The same was followed by a cease-and-desist notice, which twice remained undelivered but even after successful delivery at the third attempt, the defendant neither withdrew the objections nor sent any reply. The plaintiff thus filed the present suit for seeking declaration that he is the absolute owner of the Internet and Digital copyrights of those 19 cinematograph films and for permanent injunction restraining the defendant from infringing or interfering with the plaintiff's Internet and digital copyright exploitation of the subject films.

In his defence, the defendant contended that his signatures on the assignment agreement were obtained by the plaintiff when he was under influence of liquor and his consent to the agreement was obtained in a state of unsound mind due to intoxication. Further, the defendant relied on Sections 19(3) and 19(5) of the Copyright Act arguing that agreement is invalid because of inadequacy of consideration as it does not provide for any royalty towards the defendant, and that even if the agreement is deemed to be valid, it ceased to exist at the expiration of five years because no term is mentioned in the agreement. The defendant also contended that broadcasting or performance of a literary or musical and sound recording can be done only after issuing a prior notice of the intention to the broadcast the work and by paying royalty to the right holder which has not been done in the present case.

The Court noted that the defendant in his written statement has raised a specific plea that his consent to the agreement was obtained under the influence of liquor, which means that there is no dispute with regard to the signature of the defendant found in the agreement. The only fact which needs to be settled is whether the signatures were affixed under undue influence or not. On this aspect, the Court observed that whenever a plea of undue influence is raised by a person by contending that his consent for agreement was vitiated by flaw in consent, the burden is on him to prove the employment of undue influence.

The Court referred to the explanation regarding burden of proof in cases of undue influence given by the Hon'ble Supreme Court in *Subhas Chandr Das Mushib Vs Ganga Prasad Das Mushib [in AIR 1967 SC 878]* and noted that to come to a finding of undue influence, firstly there must be a dominant and weaker party relation between the parties to the agreement and the dominant party should have used the position to take unfair advantage over the weaker party.

The Court observed that as per the pleadings of the defendant, the plaintiff and defendant were friends, and thus, there is no dominant or weaker party relation unless intoxication of the defendant at the time of signing of the agreement can be proved. However, there was no plea by the defendant that the plaintiff intoxicated the defendant. The Court further observed that when defendant pleads that at the relevant point of time his mental capacity was not sound enough to form a rational judgment about the impact of terms of the agreement, it is incumbent on him to prove that at the time of execution of agreement, he was under intoxication. In the present case, the defendant failed to appear before the Court and did not lead any evidence of his own. In the given circumstances, the Court held that the plea of intoxication is not proven and thus the agreement and addendum agreement relied on by the plaintiff are valid in the absence of any contra evidence. This issue was thus decided in favour of the plaintiff.

The Court remarked that a contract is a result of consensus *ad idem* between the parties. If the consent of the parties to the agreement is free, the agreement cannot be invalidated merely because the consideration is inadequate; however, inadequacy of the consideration may be taken into account by the Court while determining the question, whether the consent of the party was freely given for the contract or not.

But in the present case, the defendant did not lead any evidence, neither for the plea of undue influence nor for inadequacy of consideration, whereas the plaintiff entered the box and deposed in favour of validity of the agreement. The Court held that the defendant has failed to depose about inadequacy of consideration or in favour of his plea of undue influence, and thus inadequacy of the consideration cannot be readily presumed in the absence of any evidence. This issue was thus decided in favour of the plaintiff.

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The Court held that Section 31(d) has no application in the present case because it deals with licence for broadcasting of literary and musical works or sound recording by broadcasting organizations. The broadcasting organizations are not assignees of the digital copyright, and therefore they have to follow the procedure given under Section 31(d) of Copyright Act. However, in the present case, the plaintiff is the assignee of the digital copyright and the provisions of Section 31(d) do not get attracted to the case on hand. Accordingly, this issue was also answered in favour of the plaintiff

In his written statement, the defendant had argued that a copyright assignment agreement must be supported by royalty and consideration but in the present case, though a lump sum amount of consideration for assignment was mentioned, the agreement was silent about royalty and thus the agreement should be held to be invalid.

The Court noted that one of the conditions for a valid assignment is payment of royalty and any other consideration. The word 'royalty' is not defined under the Act but as per its dictionary meaning it is the amount of money paid to the author of the word every time, his/her work is sold or performed. The Court clarified the statute uses the word royalty and any other consideration payable which means that the legislature has treated royalty also as a consideration for the assignment.

The Court observed that the agreement mentions the period of assignment as the full term of copyright which as per the Act is 60 years beginning from the next calendar year following the year in which the film is published. The Court further observed that at the time of entering into the agreement, the defendant was aware that he is assigning the digital rights to the plaintiff for a term of 60 years and consciously agreed to receive a lump sum instead of receiving a specified amount every time his work is exhibited. The Court held that *when a lump sum is mentioned as a consideration for assignment, it should be presumed the said sum includes royalty*. Thus, this issue was also answered in favour of the plaintiff and against the defendant.

The Court now dealt with the plea taken by the defendant in its counter statement that even if the agreement is taken to be valid, the same stands expired after 5 years in accordance with Section 19(5) of the Act. On this point, the Court referred to the Section and read through the agreement

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which clearly defined the term "Period" of the agreement as the full term of copyright, thus thwarting this plea of the defendant.

The other averment of the defendant was that the suit is pre-mature, and the plaintiff should have approached the Appellate Board for the dispute with respect to assignment of copyright. Disagreeing with the said argument, the Court clarified held that in view of Section 55 of the Act, which recognizes the right of the owner of the copyright to file a civil suit seeking remedies of injunction, damages, accounts etc., the plaintiff, being the assignee of the digital rights, has the right to file the suit. It was further observed by the Court that the powers available to the Appellate Board under Section 19 (A) of copyright Act are also available to the Commercial Courts by virtue of amendment to Section 19(A) in 2021.

The Court further moved on to observe that after sending objections to Amazon, the defendant failed to answer to the emails and notices sent by the plaintiff complaining about copyright infringement, and therefore, in the given circumstances, the cause of action alleged by the plaintiff as against the respondent stands proved. The Court also noted through the evidence that the cheque issued by the plaintiff for payment of consideration as agreed in the assignment agreement was encashed by the defendant. It was therefore also remarked by the Court that when defendant encashed the cheque issued by the plaintiff in pursuance of the agreement, the plea of alleged undue influence by intoxications falls flat. Therefore, Issue Nos. 2 and 6 were also decided in favour of the plaintiff and against the defendant.

The Court thus decreed the declaration suit in favour of the plaintiff and an injunction was issued against the defendant. The observations made by the Court in this judgement are significant for understanding the application of Section 19(3) regarding the overlapping nature of consideration and royalty.

7. Rogue Websites Restrained from Streaming Content of Netflix, Universal City Studios and Others

Case: Universal City Studios LLC & Ors. vs. Fzmovies.net & Ors.[CS (COMM) 202/2023]

Forum: High Court of Delhi

Order Dated: April 11, 2023

Issue: Whether Defendants, by providing unauthorised access to original content and making it available for download, have infringed the copyright rights of the plaintiff in their original content/work?

Order: In the present case, Plaintiffs 1 to 6, i.e., Universal City Studios LLC.; Warner Bros. Entertainment Inc.; Columbia Picture Industries, Inc.; Netflix Studios, LLC.; Paramount Pictures Corporation and Disney Enterprises, Inc. contended that Defendants 1 to 40 were online locations which enabled the use of the defendant's website services without any authorisation or license from the Plaintiffs to view cinematograph films, motions pictures, television programs or other audio-visual content, on devices connected to the internet by either streaming or downloading.

Moreover, the defendant's websites allowed copies of this content to be downloaded onto the memory of their devices for watching further or enabling others to further copy the content and contained a process called "linking", which enabled users to stream, copy and download. The Plaintiffs investigated, monitored, and gathered evidence in respect of the defendant's websites, which showed that the operators of the defendant's websites were using known "pirate branding" to signal to users that the defendant's websites were merely new iterations of sites that had been blocked earlier.

It was further contended that despite the legal notice calling upon the concerned Defendants to cease engaging in their infringing activities, they continue infringing the rights in the Plaintiffs' original content. Therefore, the Plaintiffs submitted that the Defendants were liable for infringement of the Plaintiffs' copyright works under Section 51(a)(ii), Section 51(b) and Section 51(a)(i) of the Act, for making a copy of the original content, including storing of it in any medium by electronic or other means and communicating the original content to the public the hosting, streaming, reproducing, distributing, making available to the public, and/or communicating to the public of the original content for streaming and downloading, or facilitating the same, without authorisation of the Plaintiffs.

The Plaintiffs also contended that the defendant's websites were anonymous in nature and the information provided in the public domain regarding the owners of the website is either incomplete, incorrect and/or protected behind a veil of secrecy.

In view of the same, relying on the judgment of *UTV Software Communication Ltd. & Anr. vs 1337x.to and Ors.*, the Hon'ble Court opined that a *prima facie* case was made out in favour of the Plaintiffs and irreparable harm would be caused to the Plaintiffs if an interim injunction is not passed.

Therefore, the Hon'ble Court restrained the Defendants from, in any manner, hosting, streaming, reproducing, distributing, making available to the public and/or communicating to the public, or facilitating the same, on their websites, through the internet in any manner whatsoever, any cinematograph work/content/programme/show in relation to which Plaintiffs have a copyright. The Court further directed the Internet Service Providers to ensure compliance with this order by blocking Defendants No. 1 to 40 websites, their URLs, and their respective IP addresses.

8. Order Issued for Websites for Copyright Infringement of Movie “Jawan”

Case: Red Chillies Entertainment Pvt. Ltd. vs Ashok Kumar/John Doe and Others [CS(COMM) 240/2023]

Forum: High Court of Delhi

Order Dated: April 25, 2023

Issue: Whether the use of clips from the plaintiff's film by internet platforms and service providers amounted to copyright infringement?

Order: The Plaintiff filed a dynamic injunction suit against rogue websites and internet service providers broadcasting clips from its film 'Jawan' as no entity was provided with any license to broadcast or transmit any part of the said film.

The plaintiff argued that several websites across the internet were hosting and displaying clips from their films without any licensed authorisation. While arguing, the plaintiff relied on cases decided by the Hon'ble Delhi High Court, viz. *UTV Communication Ltd. v. 137x.to*, wherein the Court had passed a restraining order against rogue websites from participating in indulging in screening and making available without any authorisation the broadcast of copyrighted works.

The Court observed that the plaintiff had not licensed the transmission, distribution or broadcasting of its film to any entity and was therefore entitled to injunctive relief as the plaintiff was able to show a balance of convenience, irreparable loss and prove a *prima facie* case at the stage of filing the plaint.

The Court also directed that the plaintiff's plaint be registered as a suit and that summons be issued and served on the Defendants, too, and further directed the parties to file their respective replies. The Court, in passing interim directions, held that the Defendants be restrained from copying, recording, reproducing, allowing recording, transmitting, communicating or making available for distribution, duplication, display or release,

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exhibiting or playing in any manner, any stills, audio/video clips, songs, recordings or other proprietary information relating to the cinematographic film "Jawan" or any part thereof without a proper license from the plaintiff, through any medium whatsoever.

The Court also directed the Defendants to block and take down all infringing content (i.e., URLs) provided in the schedule and documents filed with the plaint and directed that any mirror/alphanumeric/redirect websites be immediately blocked. The Court categorically mentioned that all the above directions be complied with within a period of one week.

9. The Copyright Cacophony of IPRS vs Music Broadcasters

Case: Indian Performing Right Society Limited vs. Rajasthan Patrika Pvt. Ltd. AND Indian Performing Right Society Limited vs. Music Broadcast Limited [IA (L) No. 9452/2022, COMIP 193/2022, IA 1213/2022 and COMIP 84/2022]

Forum: High Court of Bombay

Order Dated: April 28, 2023

Issues:

1. Whether the amendments of 2012 to the Copyright Act create a substantive right of the authors of underlying literary and musical work?
2. Whether private broadcasters are liable to pay royalties to the authors of such underlying literary and musical work?

Order: Defendant Music Broadcast Private Limited operates the radio station 'Radio City' and had entered into a license agreement with the IPRS in 2001 to use its collection of literary and musical works to broadcast them on FM radio. The other defendant, Rajasthan Patrika Pvt. Ltd., also operates a radio station 'Radio Tadka' and had entered into a similar agreement with the IPRS. In 2010, the Copyright Board laid down compulsory license fees for radio broadcasting under Section 31(1)(b) of the Copyright Act. The said arrangement expired in 2020, and the erstwhile IPAB fixed royalty rates for such copyrighted works, as well as the underlying works in such sound recordings.

Entertainment Network India Ltd. filed a separate case with the Delhi High Court to review the statutory license rates under Section 31D and seek an order of status quo. The Court clarified that despite pending an appeal against the IPAB order, the Respondents, Phonographic Performance Limited India, and others were entitled to receive royalties and employ necessary remedies upon failure.

The IPRS filed the applications for an interim injunction, arguing that the Amendment of 2012 to the Copyright Act brought changes to the rights relating to underlying works of the authors in a copyrighted work. Contrarily, the defendants argued that such an amendment could grant no new substantive rights since it did not affect Sections 13 and 14 of the Act and merely clarified the nature of such rights.

While deciding the matter in question, the Court stated that "it becomes clear that when sections 13 and 14 of the Copyright Act use the words 'subject to the provisions of this Act' the reference is to all the provisions of the Copyright Act, including sections 17, 18, 19 and others". It further held that whenever the words 'subject to' are used, the expression makes the provision compliant with other provisions of the statute as well.

The Bombay High Court relied on Indian Performing Right Society Ltd. vs Eastern Indian Motion Pictures Assn., (1977) 2 SCC 820, the Statement of Object and Reasons of the 2012 Copyright Amending Act and the Parliamentary Standing Committee Report on the Amendment while identifying the additional rights of the authors of underlying works.

Upholding the claims of the IPRS, the Court believed that the ownership rights held by the composers and authors of lyrical and musical composition were significantly affected by the amendments of 2012 to the Copyright Act. The Court observed that such amendments create a substantive right for the authors of underlying literary and musical work, and if any broadcaster utilises sound recordings and communicates them to the public without paying the requisite royalties, it would be an act of infringement of the author's right in such works.

The Court noted that the use of such literary and musical work in any form other than in a cinema hall entitles the authors or composers to receive royalties. The Court ordered such broadcasters to pay the necessary royalties to the IPRS within six weeks, as per the 2020 decision of the Intellectual Property Appellate Board. Any shortcomings in payment of such royalties would invite an interim injunction against any form of broadcasting of such musical work.

10. Applying the Basic Principles of Natural Justice in Copyright Infringement Cases

Case: M/s Thind Motion Films Private Limited vs Ishdeep Randhawa and others [CR No.2780 of 2023]

Forum: High Court of Punjab & Haryana

Order Dated: May 4, 2023

Issue: Whether the civil suit filed by the plaintiff-respondents against the petitioner for allegedly preparing a film based on the book 'Awaz Mardi Nahi' without their permission is maintainable before the Civil Judge (Junior Division) or should it have been presented before the District Court having proper jurisdiction?

Order: The petition under Article 227 of the Indian Constitution challenges the ex-parte ad-interim injunction passed by the Civil Judge (Junior Division), Ludhiana, which restrained the defendants from releasing the film "Jodi Teri Meri" on 05.05.2023.

The Respondents are the sons of Gurdev Singh Randhawa, the director of Gurdevfilms. Gurdev Singh Randhawa entered into an agreement with the widow of Amar Singh Chamkila to make a motion film on the biography of Amar Singh Chamkila and Bibi Amarjot Kaur, and the agreement was binding on the heirs as well. After Gurdev Singh Randhawa's death, his sons learned that Gurmail Kaur is making the same film, a biography of Amar Singh Chamkila and Bibi Amarjot Kaur in association with M/s Reliance Entertainment, Imtiaz Ali, Diljit Dosanjh, and Parineeti Chopra. The Respondents filed a civil suit against the aforementioned persons titled *Ishdeep Randhawa and Another vs Gurmail Kaur and others*, pending in the Court of Harsimranjit Singh, Civil Judge (Senior Division), Ludhiana. During the pendency of the suit, the respondents came to know that another film, "Jodi Teri Meri," was being made and was scheduled for release on 05.05.2023.

The plaintiff-respondents No.1 and 2 filed a suit against the defendant-respondents No.3 to 6 and the petitioner for allegedly preparing a film based on the book 'Awaz Mardi Nahi' by Sh. Gulzar Singh Shonki without their permission. An ad-interim injunction was granted on 01.05.2023, restraining the petitioners from releasing the film 'Jodi Teri Meri' until 08.05.2023. Formal notice of the suit or the application for ad-interim injunction was not ordered to be issued by the impugned order. Still, it was made clear that if the service of the defendants is not affected by 08.05.2023 through RC/AD, etc., then the stay order shall stand vacated automatically.

The petitioner argued that the suit was not maintainable before the Civil Judge (Junior Division) due to the specific bar contained in Section 62 of the Copyright Act, 1957, and should have been presented before the District Court, which has jurisdiction. The petitioner also argued that the impugned order resulted in a gross and manifest failure of justice due to basic principles of natural justice having been flouted.

The petitioner's counsel cannot deny that an ex parte ad interim injunction was granted in the impugned order, which is appealable under Order 43 Rule 1(r) of the CPC. The failure to give reasons for the order does not render it non-appealable. The petitioner's argument that statutory appeal is not an efficacious remedy is not accepted as the trial court had sufficient time to serve the defendants.

The Court refrained from making any comments that may prejudice either party in the case. However, the Court noted that the trial court had enough time to serve the defendants before granting the ex-parte order. The Court concluded that no exceptional case had been made for jurisdiction under Article 227 of the Constitution of India, as the petitioner had not availed the remedy of statutory appeal. The petitioner is advised to still pursue their remedy before the lower courts. This order does not prevent the petitioner from appealing or approaching the trial court. The Court's observations should not be taken as an expression of opinion on the merits of the case. The revision petition was thus disposed of.

11. No Stay on Release of Movie “The Kerala Story”

Case: Adv. Anoop V.R vs Union of India, Ministry of Information and Broadcasting, Central Board of Film Certification (CBFC) and Ors. [WP(C) NO. 15036 OF 2023(S)]

Forum: High Court of Delhi

Order Dated: May 5, 2023

Issue:

- Should the release and circulation of the teaser and trailer of the movie 'The Kerala Story' be suspended, which is based on unverified and incorrect facts?
- Whether this movie disturbs public order, decency, and morality, particularly women and particular religious communities?

Order: The Court reviewed the trailer and found nothing offensive to any community as a whole. The competent statutory body, the Central Board of Film Certification, must have examined the movie, found it suitable for public exhibition (that the film is sensitive to the values and standards of society), and certified the film.

Moreover, the producer has undertaken to remove teasers from social media handles and has also published a disclaimer along with the movie – the film has been fictionalised and is a dramatized version of events, and the accuracy of historical events has not been claimed.

Thus, this film does not require to be restrained from exhibiting to the public, and no interim order for staying the film's release was passed.

12. Festivities Associated with Marriage Deemed as Religious Ceremonies for Copyright Licensing Purposes

Case: Ten Events and Entertainment vs Novex Communications Private Limited [CS(COMM) 74/2021]

Forum: High Court of Delhi

Order Dated: May 12, 2023

Issue: Whether the Defendant's communication issued to the Plaintiffs calling upon them to obtain a license or a no objection certificate from them for playing songs in wedding ceremonies in which they held copyright was justified under the law?

Judgment: The plaintiff, *Ten Events*, is an event management company that organizes private extravaganzas and wedding ceremonies in luxury hotels, for which they often hire DJs to play songs. The said plaintiff received calls from the Defendants wherein they were asked to obtain NOC/license from the latter. Considering the same, the plaintiff filed the suit under Section 60 of the Copyright Act, 1957 (Act), maintaining the case of groundless threats of legal proceedings from the Defendants.

The plaintiff argued that they were not under a legal obligation to obtain a license and placed reliance on Section 52(1)(za) of the Act, the explanation to the said Section, as well as a public notice issued in regard to the aforementioned Section which stated that *"utilization of any sound recording…including a marriage procession and other social festivities associated… no license is required." The defendants argued that they held copyright in the songs and that the Plaintiffs did not meet* Section 52(1)(za)'s explanation of wedding ceremonies as the songs played were for entertainment purposes and were not religious. It was also argued that music played for a wedding procession has distinct implications than music played for the social events that go along with it, and the plaintiff was only protesting the license fee for the latter.

Upon hearing the submissions of both parties, the Court arrived at the following conclusions: firstly, that the plaintiff would not fall either within

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subclause (i) or (ii) of Section 51(a) of the Act and that the plaintiff is not in control of the venue of where the activities take place, thus the plaintiff cannot be copyright infringer under Section 51 of the Act. Further, it was held that only legal actions and threats of liability based on suspected copyright violations that have already been committed are covered by Section 60 of the Act. In the present case, as it was related to an act that had not yet been committed, Novex's, i.e. (Defendants) threat of legal action against Marriott in the letter dated December 14, 2020, did not meet the requirements of Section 60 of the Act.

The benefit of Section 60 is only extended to a person against whom the copyright holder would institute an infringement suit under the said Section. Thus, the Court held that the plaintiff cannot be regarded as a person aggrieved within the meaning of the said Section of the Act and, therefore, is not entitled to institute the suit against the Defendants. The Court also maintained that the Claimant/Plaintiff herein was to satisfy the following to claim exemption from liability under Section 52(1)(za), i.e., *"the festivity in question is a social festivity; the festivity is associated with the marriage; and the festivity is bona fide."*

The Court also observed that a Division Bench of a Constitutional Court held that the exemption granted by the various clauses of Section 52(1), including clause (za) and the explanation thereto, are not intended to apply to commercial festivities or ceremonies but cater to non-profit activities. Considering the aforesaid, the Court opined that it might not be able to ignore the fact that religious services and wedding processions are both non-profit activities without any overtly commercial elements. If, therefore, a copyrighted recording is played on either of these occasions, it is not motivated by consideration of profit, and the communication, according to the public, is not for any commercial purpose.

A strong qualitative difference exists between this situation and one in which DJs frequently play copyrighted recordings of popular Bollywood tunes for hefty fees. In such cases, it is obvious that the DJ's objective for playing the records is commercial. Thus, it may be debatable and difficult to settle whether commercial use of copyrighted recordings in lavish wedding celebrations would qualify for the benefit of the Explanation to Section 52(1)(za) by treating them as "social festivities associated with marriage" given the nature of "bona fide religious ceremonies" and "marriage processions".

The Court also observed that what the plaintiff was seeking through the lawsuit was an advance ruling that would allow the plaintiff to organize wedding ceremonies, regardless of their nature, at any location and for all time, with the public hearing of recordings over which Defendants(1 to 3) hold copyright, without needing permission from any of the aforementioned defendants and that the main justification for this request for an advance judgement is Section 52(1)(za) of the Act, coupled with the explanation thereto.

The Court maintained that no law can permit such an advance ruling to be sought; moreover, the suit did not disclose the places/events the plaintiff proposed to hold and that there is no prayer in the plaint wherein it is prayed that the plaintiff be permitted to conduct any particular identified wedding ceremony, in any of the impleaded hotels, without obtaining a license from Defendants 1 to 3. Thus, as the plaintiff sought an omnibus advance ruling, qua any and every wedding ceremony to be held in any and every venue in the country, the relief sought under Section 52(1)(a) of the Act was not granted by the Court.

13. Satyajit Ray's 'Nayak' Copyright Safeguarded by Delhi High Court

Case: RDB and Co. HUF vs Harpercollins Publishers India Private Limited [CS (COMM) 246/2021]

Forum: High Court of Delhi

Order Dated: May 23, 2023

Issues:

- Who owns the copyright in the screenplay of a film if the film producer has commissioned the author to write the screenplay?

- Is it the producer of the film or the author of the screenplay?

Order: Satyajit Ray was commissioned by R.D. Bansal, who was the Karta of the Hindu Undivided Family, i.e., the plaintiff, to write the screenplay as well as direct the film Nayak, and he solely completed this task assigned to him. After the passing away of Satyajit Ray on April 23 1992, Bhaskar Chattoppadhyay novelized the screenplay of Nayak and the same was published by the defendant and released on May 5 2018. To seek an injunction against the defendant, the plaintiff approached the Delhi High Court within the scope of Section 51 of the Copyright Act, 1957.

The plaintiff contended that they should be the copyright owner of the film Nayak because the contract between him and Satyajit Ray was of mere providence of service, which does not entitle the copyright of such screenplay to Satyajit Ray. The plaintiff further stated that they bore all the monetary expenses related to the screenplay of Nayak, including costs incurred in writing and direction. The plaintiff also based his contention on the decision in the case of Ramesh Sippy, in which the Court held that the producer in the scenario of cinematograph film would be considered as the author and, hence, also the first owner of the copyright of such screenplay.

The defendant contended that the plaintiff has no copyright over the screenplay of Nayak and the same has been vested with Sandip Ray after the death of his father (Satyajit Ray). Their publication would not amount to any infringement as they have obtained permission from Sandip Ray and the Society for Preservation of Satyajit Ray Archives ("SPSRA").

The High Court of Delhi held that the ownership of the copyright would be with Sandip Ray (since the death of Satyajit Ray) and not with the producer/plaintiff because, according to section 13(1) of the Copyright Act, 1957, the copyright held in a cinematographic film shall not affect the separate copyright in any work, in respect of which, or in respect of a substantial part of which, the film is made.

The Court also explained in detail the scope of literary work mentioned in Section 2(o) and considered the screenplay Nayak as a literary work for the purpose of Section 13(1). On this basis, the Court stated that according to Section 17, the first owner of the copyright should be the author, which would be Satyajit Ray in the present case. The Court opined that there could be no copyright 'dehors' (outside the scope) of the copyright, and hence, the contention of monetary expenses borne by the plaintiff would not be of any use, and hence, the plaintiff has no right to seek an injunction against the defendant.

The publication done by the defendant would not amount to infringement because, as per Section 18(1) of the Copyright Act 1957, only the copyright owner can assign the right to someone else wholly or partially to anyone. It was concluded the owner in the present case would be Sandip Ray, and permission was taken from him before the novelizing of the screenplay of Nayak and publication of the same by the defendant. Therefore, the same would not amount to infringement of the rights of the copyright owner.

14. Rogue Websites Restrained from Streaming Spider-Man: Across the Spider-Verse

Case: Sony Animation Inc. vs FLIXHD.CC and Ors. [CS(COMM) 366/2023, I.A. 10681/2023]

Forum: High Court of Delhi

Order Dated: May 29, 2023

Issue: Whether the plaintiff is eligible for a grant of interlocutory injunctive relief under Order 39 Rules 1 and 2 against the defendant's websites, characterized as "rouge websites" from streaming "Spider-Man: Across the Spider-Verse"?

Order: The plaintiff is the copyright holder in the cinematographic films "Spider-Man: Across the Spider-Verse" and its prequel "Spider-Man: Into the Spider-Verse" ("**the films**"), was aggrieved by the fact that the films were available for viewing on various websites characterized as "rouge websites". The plaintiff has not licensed the right to broadcast or communicate, to the public, the films to any other authorities/websites except its own.

In pursuant to the same, the plaintiff filed the present plaint seeking permanent injunction restraining the said defendant websites as well as any mirror/redirect/alphanumeric website associated with them, as well as all others acting on their behalf, from posting, streaming, distributing or making available to the public, the films in addition to seeking issues of directions to the defendant internet service providers and Department of Telecommunications ("**DoT**") and the Ministry of Electronics and Information Technology ("**MEITY**") to block access to these defendant websites.

The plaintiff submitted that the defendant's websites fit the description of "rouge websites" as laid down by this Court in its judgment in ***UTV Software Communication Ltd. vs 1337X*** and that this Court has passed similar orders in such cases. The Court accepted the merits of the plaintiff's contentions *prima facie* and allowed the plaint to be registered as a suit.

Further, in an application filed by the plaintiff under Order 39 Rules 1 and 2 seeking interlocutory injunctive relief, the Court held that the facts indicated that the plaintiff's copyright in the films has/is in the process of being infringed and violated by the defendant websites and found that *prima facie*, the defendant websites qualified as “rouge websites”, entitling the plaintiff to *ex-parte* interim relief in the matter.

The Court, therefore, ordered that the defendant's websites, as well as all others acting on their behalf, are restrained from posting, streaming, reproducing, distributing, or making available to the public on their websites or through the internet, in any manner whatsoever, any cinematograph work/content/program in which the plaintiff has copyright, including the films. The Court also ordered the internet service providers to block access to the defendant's websites, as well as any mirror/redirect/alphanumeric websites which appear to be associated with any of them and directed DoT and MEITY to issue a notification calling on all internet and telecom service providers to block the access to the defendant websites.

15. Can a Criminal Complaint be Withdrawn or Delayed Due to Pendency of Copyright Suit?

Case: M/S Mangalore New Sultan Beedi vs State of Karnataka [WP No. 10870 of 2023]

Forum: High Court of Karnataka

Order Dated: May 31, 2023

Issue:

- Whether the police can withhold or delay the investigation of a criminal complaint due to the pendency of a civil suit?

Order:

The petitioner, a beedi-making partnership firm, filed a writ petition seeking directions to the police to conduct a speedy and fair investigation in a case of copyright infringement. The argument of the petitioner was based on the contention that Section 63 of the Copyright Act, 1957, provides for both civil remedies and criminal prosecution for copyright infringement, and the jurisdictional police should conduct an investigation promptly without delaying the matter due to an ongoing civil suit.

The respondents argued that the police must refrain from interfering in civil disputes and cited previous court decisions supporting this argument. It was further stated that unless the law prohibits a particular action, the police do not have the authority to keep a complaint pending solely because the parties concerned are involved in a civil proceeding.

Based on the arguments, the Court broadly agreed with the writ petition. The writ of mandamus was issued to the respondent to undertake and complete the investigation of the subject offence within a maximum period of three months.

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16. No Interim Injunction to Shemaroo in Copyright Infringement Matter

Case: Shemaroo Entertainment Ltd. vs Super Cassettes Industries Pvt. Ltd. & Ors. [Commercial IP Suit No. 297 of 2022]

Forum: High Court of Bombay

Order Dated: June 5, 2023

Issues:

- Whether the plaintiff substantiated its submissions of claiming that only audio rights of the suit films are assigned in favour of defendant no. 1?
- Whether temporary injunction be granted to the plaintiff against defendant No. 1 based on the plaintiff's submissions and averments?
- Whether the defendant has substantiated its claims of owning the copyright of audio-visuals of the songs and whether such action of the defendant amounts to infringement of copyright or not?

Order: The plaintiff filed a suit claiming copyright in 24 cinematographic films, including the audio-visual songs, based on agreements executed in its favour by various entities. The plaintiff alleged that defendant No. 1 illegally published audio-visuals of songs from the suit films on various channels, like the YouTube platform of defendant no. 3 without permission or license from the plaintiff. On the other hand, the defendant claimed limited rights to the audio-visuals of songs in the said films, stating that the original producers did not object to such use by the defendant.

The court found that the plaintiff was unable to establish a prima facie case in their favour regarding copyright infringement. The court additionally determined that the plaintiff's assertion that only the audio rights of the films in question were assigned to defendant No. 1 lacked merit. Consequently,

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the plaintiff did not have the right to obtain a temporary injunction against defendant No. 1.

The court also ruled that the plaintiff's claim that only the audio rights of the films in question were assigned to defendant No. 1 was not justified. The court pointed out that the assignment deed for the cinematograph film "Amba" and "the said work" mentioned refuted such a claim by the plaintiff. Additionally, the court observed that defendant No. 1 had provided evidence of long-term exploitation of the audio-visuals of the songs in the films, and none of the original producers or owners of the films had raised any objections against defendant No. 1.

The Court also emphasised the delay by the plaintiff in initiating an action against the defendant, as the first ‘Cease and Desist’ notice was issued to the defendant in 2019, and the present suit was filed in 2022 when the defendant was using the audio-visuals of songs of suit films since 2012. As a result, the court determined that the plaintiff did not successfully present sufficient evidence to support their request for an interim injunction order and consequently rejected the application.

17. No Relief to Tamil Writer Claiming Copyright Infringement by Movie 'Enthiran'

Case: Aarur Tamilnadan vs S. Sankar and Anr. [C.S. No. 914 of 2010]

Forum: High Court of Madras

Date: June 15, 2023

Issues:

- Whether the plaintiff is the author and first owner of the copyright of the story "Enthiran", which was stolen from the original story?
- Whether the film "Enthiran" is the infringed story of the plaintiff's "Jugiba"?

Order: The plaintiff, a Tamil writer, claimed that he had written a story about a Humanoid Robot "Jugiba" ("magazine story"), published in a Tamil monthly magazine "Iniya Udayam" during the April 1996 issue. The same publishers published the same magazine story of the plaintiff in the book titled "Thik Thik Theepika" in 2007, which was sold in book stalls and exhibitions. The first defendant, in his capacity as a story writer and director, made a film, "Enthiran", in Tamil and other languages, produced by defendants 2 and 3.

The plaintiff claimed that the story of the film is the same magazine story written by the plaintiff and published in 1996. Further, the plaint averred that though the magazine story was published in the monthly magazine "Iniya Udayam", per an understanding between the publisher and the plaintiff, the plaintiff is the first owner of the copyright in the magazine story. The plaintiff ultimately claimed that the magazine story is pirated in the film and that the defendants, never having obtained permission from the plaintiff, had illegally stolen the magazine story and made the mega film "Enthiran". The defendants made huge profits from the film, and therefore, it is the plaintiff's claim that he is entitled to claim damages.

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In response to the plaintiff's claim, the first defendant averred that the story of Humanoid Robots is several decades old and expressly denied that the film is a pirated version of the magazine story. The first defendant claimed that the storyline of the film is different and that the basic knowledge about the Humanoid Robot is one and the same, and many movies in the past have been made on the concept, meaning that there is no justification for the plaintiff to file the present suit. The first defendant then pointed out dissimilarities between the two works. Further, it was claimed that there cannot be copyright in an idea, subject matter, theme, plot, or historical legendary facts. The claim of the first defendant is that the film is an original work of the first defendant, and he has the first right of ownership over the copyright.

Defendants 2 and 3 averred that the story of the defendants was presented and treated differently from that of the alleged story of the plaintiff, and, therefore, there cannot be a question of violation of copyright. It was further claimed that the plaintiff had come up with this suit because of the huge success of the film; therefore, the intention of the plaintiff was only unjust enrichment. Therefore, it was the defendant's claim that the suit should be dismissed.

Further, the defendants claimed that the plaintiff failed to plead the storyline of the defendants' film and produce any material evidence to show that the storyline of the defendants' film is an infringing copy of the plaintiff's magazine story. They further argued that the plaintiff failed to examine any person who had read the magazine story of the plaintiff and viewed the film of the defendants to prove that the storyline of the defendants' film was based on the plaintiff's magazine story.

The Court noted that a close reading of the evidence given by the plaintiff made it clear that there are several dissimilarities between his magazine story and the story of the defendants' film. The plaintiff himself admitted during evidence that the defendants had made additions to his magazine story to suit the cinema audience. The Court noted that it is settled law that nobody can claim any copyright over an idea or concept, and copyright can be claimed only with respect to the manner of expression of an idea or concept. In this regard, the Court referred to the observations of the Apex Court in ***R.G. Anand v. Delux Films.***

The Court noted that when both the stories are based on the same idea, namely a Humanoid robot falling in love with a human being, similarities are bound to occur and, further, that the plaintiff has not examined any independent witnesses to prove that the similarities in the magazine story of the plaintiff and the story of the film are so fundamental to make it as a literal imitation of a magazine story. Further, the plaintiff has not made any such attempt to enable the Court to compare the storyline and has also failed to examine any independent witnesses to prove that the storyline of the defendants is a literal imitation of the plaintiff's magazine story.

In lieu of these holdings, the Court moved on the issues against the plaintiff and held that the plaintiff was not entitled to any relief in the suit. The Court dismissed the suit and directed the plaintiff to pay the cost of the suit to the defendants.

18. When the Student Becomes the Teacher: Court Grants Interim Injunction to Law Student Against College Professors for Copyright Infringement

Case: Aathira Mannath A vs Lloyd Law College [OS.NO. 4789/2023]

Forum: Addl. City Civil and Sessions Judge, Bengaluru

Judgment Dated: July 31, 2023

Issue:

- Whether the defendants were liable for infringement of plaintiff's copyright in her literary work?

Judgment:

The plaintiff, Aathira Mannath A, initiated legal proceedings by filing a lawsuit with the objective of obtaining a perpetual injunction against the defendants, (1) LLOYD College, (2) Anil Thakur, (3) Sherry Pant and (4) editor- Journal of Survey in Fisheries sciences. The purpose of this injunction was to prohibit the defendants from engaging in any kind of infringement of the plaintiff's literary work, specifically titled "The Challenges of Providing Humanitarian Assistance in Non-permissive Environments."

Such infringement includes reproduction in print, internet dissemination, or any other means of communication. The plaintiff (law student in the college) asserts that defendants no. 2 and 3, who hold the position of Assistant Professors at defendant no. 1 institution, disseminated the plaintiff's literary creation in a scholarly periodical issued by defendant no. 4. The plaintiff submitted a range of evidentiary materials alongside the complaint in order to substantiate their assertions. These materials encompassed duplicates of brochures, regulations, email exchanges, certificates, photographs, and illicit publications procured from the website of defendant no. 4.

The plaintiff initiated a lawsuit by submitting a formal complaint with the aim of securing a permanent injunction against the defendants. The primary objective of this injunction was to restrict the defendants from partaking in any form of infringement pertaining to the plaintiff's literary creation, which is expressly identified as "The Challenges of providing Humanitarian Assistance in Non-permissive Environments."

This form of infringement includes the replication of content in printed materials, dissemination through the Internet, or any other form of communication. The plaintiff alleged that defendants no. 2 and 3, who are Assistant Professors at defendant no. 1 school, distributed the plaintiff's literary work in an academic journal published by defendant no. 4. The plaintiff included a variety of evidentiary materials with the complaint to support their claims. The assortment of materials included replicated brochures, rules, email correspondences, certificates, images, and unauthorised publications obtained from the website associated with the fourth defendant.

With reference to the ruling of the Supreme Court of India in AIR 2011 SCW 4000 (Rameshwari Devi and others V/s Nirmala Devi), the court recognised that injunctions are only granted in exceptional circumstances. Furthermore, in the event that the lawsuit was ultimately dismissed, the plaintiff was required to provide complete restitution, bear the costs incurred, and account for any mesne profits. In accordance with this guiding principle, the court issued an order to prohibit the defendants and any individuals asserting rights through them from engaging in any acts that would constitute copyright infringement of the plaintiff's literary work titled "The Challenges of Providing Humanitarian Assistance in Non-permissive Environments" or any of its constituent parts.

Nevertheless, the court imposed specific stipulations on the injunction, which encompassed a clear commitment from the plaintiff to reimburse the defendant for expenses and damages in the event of an unsuccessful lawsuit, adherence to procedural obligations, and refraining from distributing authorised copies of the order and summons until the plaintiff fulfils these conditions. The court has mandated the issuing of a temporary injunction, along with the notice of IA (interlocutory application) and suit summons, to

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be delivered to the defendants via registered post no later than August 31, 2023.

The court's ruling is anticipated to be grounded upon many tenets of intellectual property law, particularly those pertaining to copyright. Presented below is a concise overview of the pertinent concepts that the court may employ in order to render a decision in the matter at hand:

- Assessment of Originality: The court has the authority to evaluate whether the literary work in question satisfies the prerequisite of originality for the purpose of copyright protection.

- Idea-expression dichotomy- The concept of copyright law safeguards the particular manner in which ideas are articulated rather than the ideas in se.

- Exclusive rights- This entails evaluating whether the defendants have participated in actions that are under the copyright holder's exclusive rights.

- Infringement, the extent of infringement and substantial similarity.

- The doctrine of fair use- The court has the authority to evaluate whether the defendants' utilisation of the plaintiff's work aligns with any exceptions pertaining to fair use or fair dealing.

The court issued an ex-parte provisional injunction in favour of the plaintiff, which prohibits the defendants from engaging in any actions that may violate the plaintiff's literary work; however, it is yet to speak on the assessment of the balance of convenience and irreparable injury to the plaintiff. The court has set specific restrictions on the injunction in order to guarantee that the plaintiff would provide compensation to the defendant for any costs and losses incurred in the event that the lawsuit is unsuccessful, as well as to ensure compliance with procedural obligations.

19. The Intricate Legal Web of Copyright Infringement and Exclusive Publishing Agreement

Case: Scientific International Pvt. Ltd vs Kalyani Publishers [CS(COMM) 586/2021 & I.A. 15144/2021]

Forum: High Court of Delhi

Order Dated: August 2, 2023

Issue: Whether there is a *prima facie* case for a grant of injunction against the erstwhile publisher by the current publisher if the termination of a publishing agreement with the erstwhile publisher has been challenged?

Order: Defendant 3, in this case, is the author of the subject matter books and had granted the exclusive right to Defendant 1 to publish the books vide agreement dated October 18th, 1979, for the entire term of subsistence of copyright. In clause 10 of the said agreement, it was mentioned that if the books become out of print for six months and if Defendant 1 neglects to reprint within 12 months after receiving the notice thereof in writing by Defendant 3 then the agreement shall be cancelled, and all publishing right shall revert back to Defendant 3.

On August 3rd, 2021, Defendant 3 sent a legal notice to Defendant 1, alleging that Defendant 1 had breached the terms of the agreement dated 18 October 1979 and, therefore, listing out its demands, including calling upon Defendant 1 to cease and desist from publishing any books which were authored or co-authored by Defendant 3 including any abridgement or translation thereof. Fifteen days' time was granted for compliance with the said Notice. On August 26th, 2021, Defendant 3 addressed another Notice to Defendant 1 revoking the agreement to publish and requesting compliance with the demands listed in the earlier Notice. Thereafter, on September 1, 2021, the Defendant 3 executed a publishing agreement with another Publisher – the Plaintiff.

Defendant 1, on October 21st, 2021, filed a suit before the Ludhiana District Court, seeking a declaration that the termination of the agreement dated

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October 18th, 1979, by the notice dated August 26th, 2021, was bad in law and seeking its specific performance of the said agreement. Though the said suit is pending, no interlocutory orders have been passed either staying the effect of the communication dated August 26th, 2021 or otherwise.

The Plaintiff, being the new licensee under the publishing agreement dated September 1, 2021, sent a Notice to Defendant 1 to cease and desist from continuing to publish and sell the copyrighted books. Since Defendant 1 failed to confirm the said request, the Plaintiff instituted the present suit, and the Court, while issuing summons in the suit as an ad interim relief, recorded the undertaking of Defendant 1 not to release or distribute any of the copyrighted books. However, despite the said undertaking, the copyrighted books were being sold by Lyall Book Depot owned by Defendant 1's husband. Taking this into account, the Plaintiff filed an application for interim injunction and got the injunction issued against Defendant 1 also extended to Lyall Book Depot.

Considering the circumstances, the Plaintiff now sought an interlocutory injunction restraining the Defendant 1, Lyall Book Depot, as well as all others acting on their behalf, from publishing, distributing or selling any copies of any of the copyrighted books.

The Defendant 1 argued that there could not be any injunction against the sale of books which were published by him prior to August 19th, 2021, i.e., 15 days from the date of first notice by Defendant 3 to Defendant 1 as this Notice granted 15 days' time for compliance. The Plaintiff did not dispute this position; however, they remarked that it is difficult to ascertain whether the books which are circulating in the market were actually published prior to August 19, 2021 or not.

As far as future publication is concerned, the case of the Defendant 1 rested upon the argument that the termination of the agreement is illegal because no circumstance, as mentioned in clause 10 of the agreement, had occurred. On this aspect, the Court noted that whether the termination of the agreement is illegal or not is a subject matter of adjudication already before the Ludhiana District Court. The Court observed that while addressing an application under Order 39 Rules 1 and 2 of the CPC, the Court is required to take a *prima facie* view in the matter, and at a prima facie stage, the said termination cannot be treated as illegal because as of date, the Defendant 1 has not been able to secure any interim relief from the Ludhiana District Court.

The Court, while issuing the interim injunction against Defendant 1, Lyall Book Depot, as well as any other person acting on their behalf, held that in respect of the present proceedings, the plaintiff is the holder of the existing publishing agreement wherein an exclusive license has been granted and no proceeding has been initiated by Defendant 1 to challenge the said issuance of the license. Thus, the Plaintiff cannot be deprived of the benefits accrued via the exclusive publishing agreement.

20. Dynamic+ Injunction Granted by Delhi High Court in Copyright Infringement Suit

Case: Universal City Studios LLC. & Ors. vs Dotmovies.Baby and Ors. [CS(COMM) 514/2023 and I.A. 14120/2023, 14122/2023]

Forum: High Court of Delhi

Judgment Dated: August 9, 2023

Issue: How should the menace of rogue websites that stream and distribute unauthorized and pirated cinematograph films be dealt with?

Judgment: The suit was filed by the plaintiffs, a group of well-established Hollywood Studios engaged in the production and distribution of a large number of original creative content including cinematograph films, TV series, motion pictures, etc. (hereinafter 'content'). The application was filed against several rogue websites, along with other defendants seeking to be granted a decree of injunction against the unauthorised, unlicensed and pirated streaming of their content by the defendants.

The Court observed a surge of instances of copyright infringement of cinematograph films by unauthorised websites, causing enormous monetary loss to the plaintiffs. The plaintiffs highlighted the features of these websites as newer mirror versions of the rogue websites. The Court, to its astonishment, found that previous orders of banning such websites had already been passed by the Court in several of its decisions. Yet, due to the website's ability to make a mirror website within minutes, such problems keep coming up, no matter the number of times such applications were granted relief. The websites take a number of measures to protect themselves like hide/mask the identity of the persons or entities behind them.

There seems to be a trend where no information is made available about the person uploading the content. No contact details or addresses seem to be available to such websites except e-mail addresses. The plaintiff asserted that these websites funded themselves by promoting betting websites which unlawfully lure customers and viewers. The plaintiff drew the attention of the Court on certain messages on these websites that included enticement and welcoming of viewers to suggest more and more titles of contents that they wished to be unauthorisedly available. The plaintiff highlighted that there exist a number of online platforms like Telegram that support and share the links of such websites that upload pirated content.

The Court highlighted upon the gravity of the subject and its enormous affect in curtailing and stifling creativity. The fact that not only such websites can be duplicated in minutes but can also hide the identity of their creators, make them elusive entities in the eyes of law. The most that could be done, the Court lamented, would be to ban the existing sites without incarcerating any party or preventing any future such websites to be made.

The websites were found to even encourage consumers by making them prefer a cheap and easy option over the option of paying their hard-earned money on subscriptions when they could watch them for free. There had been several instances in the history of the Court granting such websites orders of injunction. However, they had not been successful in preventing the making of such future websites.

Thus, the Court realized the inadequacy of such orders and touched upon the need for the world to come together to arrive at a consensus to extend the long arm of the law to touch upon the areas of such rogue websites. It was found impossible for the Court to award injunction in each and every case of infringement *qua* future works.

However, to keep up with the dynamic nature of the infringement, the Court issued a 'Dynamic Injunction' to protect copyrighted works as soon as they were to be created, to ensure that no irreparable loss is caused to the authors and owners of copyrighted works, as there exists an imminent possibility of works being uploaded on rogue websites or their newer versions immediately upon the films/shows/series etc. The Court permitted the plaintiff to implead such future injunctions to any such rogue/mirror websites identified as defendants or other websites not listed as defendants.

The Court also passed orders to several Internet service Providers, cited as defendants to give effect to the injunction by blocking the websites. Similar such orders were given to the Ministry of Electronics and Information Technology and the Department of Technology to issue blocking orders against the websites within a period of one week from the release of the order. The Domain Name Registrars of the rogue websites were ordered to lock and suspend the domain names. In addition, they were ordered to provide any and all details of the registrants, if available, to the plaintiffs. The compliance of the order was sought within a period of two weeks.

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21. Specific Performance of Contract in Copyright Disputes

Case: Global Music Junction Pvt. Ltd vs Shatrughan Kumar Aka Khesari Lal Yadav & Ors. [FAO(OS) (COMM) 7/2023 & CM APPLs. 2067/2023 AND 2070/2023]

Forum: High Court of Delhi

Date of Judgment: September 5, 2023

Issue: Whether the order of specific performance subsists in the enforcement of a negative covenant?

Judgment: The present judgment came out of an appeal made by the plaintiff with the aim to challenge a single-judge order of the Court that vacated an interim order in favour of the defendant. The two parties had entered into a production agreement to produce 200 songs within 30 months for a consideration of Rs. 5 crores. The agreement's terms were explicitly stated by the parties and included the agreement of ownership of the copyright being vested with the plaintiff.

Subsequently, due to some differences, the parties mutually decided to extend the agreement until September 30, 2025, subject to the fact that the defendant was able to provide songs less than 100 during the period of the Addendum. The number of songs to be produced within a month was also changed to 8 songs per month. In the previous agreement, the defendant was not allowed to engage with any other third party for the creation of any intellectual property unless it was in conjunction with the terms stated in Annexure D.

However, in the modified agreement, the defendant could enter other contracts of production with third parties subject to a 'right of refusal' vested with the plaintiff. The plaintiff contended that the respondent created content with a third party (also party to the suit), promoted the same on their website and allegedly infringed the copyright agreement. On 14th October 2022, the Hon'ble Court passed an order of restraint to the respondent third parties to stop them from showcasing, releasing, and monetising all the contents made by them with the Respondent. However, the impugned challenged order entirely vacated the previous order and stated that since

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the agreement was a ‘Contract of Service’, it was dependent on the personal qualifications of the singer, which fell within the category of Section 14(c) of the Specific Relief Act, 1963 (the Act) and hence could not be decided on as it depended solely on the qualifications of the singer.

When this was challenged, the current bench of the Hon’ble Court observed that Section 14 of the Act was inapplicable in the present case. The Court observed that the abovementioned condition was a negative covenant, which was sought to be enforced by the plaintiff. The same could not be equated with specific performance as specified in the impugned order. Tracing the history of the Act and the results that it ought to achieve, the Court held that the Act must be treated as a statutory remedy rather than a discretionary one. The Court emphasised that the Act came into being to add certainty to international contracts in general. Its entire aim was to lessen ambiguity and improve the nation’s ranking in the Enforcement of Contracts and Ease of Doing Business.

The Court especially cited Section 14 of the Act to explain that Clause (a) of the section prescribed that in cases of non-performance of a contract where reliefs in the form of pecuniary damages must be given, the agreement must not be especially enforced. The Court drew a distinction between the damages of interim injunction and specific performance in the non-performance of an agreement, and the two are mutually exclusive. In instances where monetary relief sufficed, the negative covenant must not be dealt with in Section 14 of the Act. Unless there was monetary relief prescribed as a statute or as a specified rule, specific performance as a relief will be given. This was done as a deterrent as many parties who breach contracts prefer to pay damages over performance of the contract.

The Court found it to be a practice of the courts to enforce negative covenants in an agreement, and even in the present case, the Court found nothing on record to refrain itself from granting an injunction to enforce a negative covenant in a contract of personal service. The Hon’ble Court also emphasised the non-application of Section 27 of the Indian Contract Act, 1872, either in the previous contract or the Addendum the section applied to the contract period. Since the terms of the contract pertained only to the promised term, the provision was thus not applicable.

The Court reiterated that since 2018, the Courts have not had any discretion in specific performance. The Court set a precedent by concluding the rule of specific performance to be a general rule and not an exceptional rule. The Court set the impugned order aside to pass fresh injunction orders to both parties from monetising any new song for the remaining period of the contract except if the plaintiff refuses to accept delivery of the said song subject to the Appellant/Plaintiff proving its *bonafide* by depositing the balance fee (i.e. Rs. 2.20 crores) with the Registry of this Court. The release of the said amount shall abide by the final judgment/order to be passed by the learned Single Judge. The Court allowed the singer to act/perform/sing as he wished but to not sell his new songs to new distributors/producers.

22. The Food War: Copyright Clash Between "GULCHHARE" and "GOORCHARRE MAST SEVIAN"

Case: Manju Singal, Proprietor Singla Food Products vs Deepak Kumar, Deepak Manocha, Sara Sales and Anr. [C.O.(COMM.IPD-CR) 715/2022]

Forum: High Court of Delhi

Judgment Date: September 6, 2023

Issues:

- Whether the impugned copyright registration was substantially similar to the petitioner's mark?
- Whether the work in question is an original artistic creation of petitioner?
- Whether registration of the respondent's mark be removed from the copyright register?
- Whether the respondent's mark is liable to be rectified under section 50 of the Copyright Act, 1957?

Judgment: The Petitioner Manju Singal, Proprietor of Singla Food Products, was in the business of manufacturing, marketing, and selling snack food products, confectionery and other namkeen edible products under the mark 'GULCHHARE'. The said mark was stated to have been adopted by the Petitioner in 2009. The impugned registration was obtained by the respondent, Deepak Kumar, in 2019. It was claimed by the Petitioner that they were an earlier creator of a similar artwork which is almost identical to that of impugned registration of the Respondent's artwork.

The court stated that the petitioner had a copyright registration for the artistic work titled "GULCHHARE" for the product *mast sevian*. The impugned registration of the respondent was also granted for the artistic work titled "GOORCHARREY LABEL". The court observed that the first publication, as recorded in the register of copyrights, was in 2009 for the petitioner and in 2016 for the respondent. The court disagreed with the respondent's claim in its application regarding the packaging being an original artistic work owing to the stark similarity both in the name and in the colour combination, layout, arrangement, and artistic features in the two packaging.

According to the court, the clear prior creator of the artistic work was the Petitioner, and the Respondent had merely copied all the essential elements of the said artistic work. The court further emphasised that the Respondent's packaging was nothing but only a substantial reproduction of the Plaintiff's packaging as also a colourable imitation of the same. Therefore, considering the fact that the Petitioner's packaging/label was imitated by the Respondent, the Petitioner herein was held to be clearly the person aggrieved. The court that since the registration of copyright can be granted only in respect of original works if any person or entity misdescribes the work as an original work when it was actually not and was outrightly a copy of another work, such registration would be a registration wrongly remaining on the Register of Copyrights.

The court relied on its view by citing various landmark judgments. The reference to the judgement in the case of Heinz Italia and another v. Dabur India Limited (2007) 6 SCC 1 was made wherein the supreme court held that when considering the question of similarity between two packaging, it is the overall effect of the competing packaging that would have to be seen and not the effect of minor/trivial variations. Another judgement of Marico Ltd. vs. Jagit Kaur, 2018 SCC Del 8488 was considered wherein it was held that when two labels or artistic works are compared to determine if they are original, the broad features of both the labels/works are to be compared.

It has also been held that colour scheme and objects/items used in the artistic work also are a factor while determining substantial similarity/reproduction as also colourable imitation. Lastly, the court also mentioned The Modern Law of Copyright and Designs, Fourth Edition by Laddie, Prescott, and Victoria, while discussing the terms 'originality' and 'substantial part', under which it was emphasised that when substantial similarity between two works arises, then the later work cannot be said to be original.

Hence, the court finally observed that in the present case, apart from the substantial similarity, the Respondent's work was also a slavish imitation of the Petitioner's work itself and the distinguishing elements, if any, do not affect the substantial similarity and the imitation that the Respondent resorted to. Accordingly, in the above facts and circumstances, the

Respondent's registration was held to be wrongly applied for as an original work that deserved to be rectified and expunged from the Register of Copyright in accordance with Section 50 of the Act. The petition was allowed, and a direction was issued to the Registrar of Copyrights to rectify the register by expunging the Respondent's copyright registration bearing no. 128962/2019 for the work 'GOORCHARRE MAST SEVIAN'.

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23. Urgent Interim Relief as an Exception to the Rule under Section 12-A- The Case of Zee Entertainment Enterprises Ltd. v. Triller Inc.

Case: Zee Entertainment Enterprises Ltd. vs Triller Inc. [Interim Application (L) No. 2720 of 2023 with Commercial Summary Suit (L) No. 2658 of 2023 with Summons for Judgment (L) No. 17289 of 2023]

Forum: High Court of Bombay

Order Dated: September 7, 2023

Issue: Whether the defendant owed the plaintiff the claimed amount along with interest as per their Record Music License Agreement?

Order: In pursuance of their business, the plaintiff and the defendant had entered into a Record Music License Agreement in October 2020 ('the Agreement'), whereby the plaintiff granted the Defendant a license to exploit its sound recordings repertoire ('the Licensed Works') for a period of one year ending on June 30, 2021, for a consideration of USD 600,000 plus taxes payable in four equal quarterly instalments.

In September 2021, by way of an amendment, the parties decided to extend the agreement by one year, commencing on July 1, 2021, up to June 30, 2022, on the same terms as in the original agreement.

It was undisputed that the defendant continued to enjoy the license and exploit the Licensed Works. For the first two quarters, the defendant paid the plaintiff an amount of USD 300,000 under two invoices respectively. However, the plaintiff contended that the defendant continued to exploit the Licensed Works without making the payments for the third and fourth instalments. The plaintiff thus issued reminder notices in August 2022 demanding the defendant to pay the principal sum of USD 300,000 along with interest @ 18% per annum from the date of the invoices till payment. Upon non-payment, the plaintiff issued a legal notice in September 2022. In response to this notice, the defendant, via email, assured payment of the third and fourth instalments by October 31, 2022, and January 29, 2023, respectively. Thus, the defendant admitted and acknowledged its liability.

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The plaintiff accepted the revised timelines on the condition that any further delay would attract the interest of 18% p.a.

However, the defendant did not comply and disregarded three more notices the plaintiff sent in November 2022 while continuing to exploit the Licensed Works. In light of this, the plaintiff filed the present suit on January 4, 2023.

Among other contentions, the plaintiff highlighted that the defendant was a habitual defaulter, having several litigations pending before various courts in the USA. Therefore, the plaintiff apprehended that the defendant might attempt to sell or dispose of its assets in India to escape liability. The plaintiff placed reliance on the cases of IDBI Trusteeship Services Limited v. Hubtown Limited, Antara Housing LLP v. M/s Primeland Constructions, Future Corporate Resources Pvt. Ltd. v. Edelweiss Special Opportunities Fund, and Suresh K Jogani v. M/s Champalal K Vardhan.

The defendant's preliminary objection was that the suit was premature. They argued that the present suit was filed before the last instalment was due in order to circumvent the pre-suit mediation given under Section 12-A of the Commercial Courts Act, 2015. They reiterated that the suit is barred for non-compliance with Section 12-A as the plaintiff was first required to exhaust the remedy of pre-institution mediation before proceeding with a suit. They contended that they had made a proposal for settlement in June 2023, but the plaintiff found that unacceptable and rejected it. They placed reliance on the cases of Patil Automation Pvt. Ltd. v. Rakheja Engineers Pvt. Ltd. and Dilip Kumar Rungta v. KLG Tradefin Pvt. Ltd. to submit that adherence to Section 12-A is mandatory and cannot be violated.

Further, the defendant denied that there were any monies due or payable to the plaintiff and that they never agreed to pay any interest on the principal amount.

At the outset, the Court stated that the fact that the defendant owed the plaintiff an amount of USD 300,000 was abundantly clear. The defendant acknowledged that in their email reply to the first legal notice of September 2022 and, therefore, could not now deny that they owed any monies. With regard to the interest charged at 18% p.a., a bare perusal of the invoices clearly showed that interest at this rate would be charged for delayed payment. The plaintiff also mentioned this in all their letters in January, August, and September 2022. Therefore, such bare denials of the Defendants only showed dishonesty, inconsistency, and frivolity. The Court thus upheld the contractual commitments and interest to be paid on delayed payments.

Coming to the primary bone of contention, Section 12-A of the Commercial Courts Act, 2015 states that if a suit does not contemplate any urgent interim relief, it shall not be instituted unless the plaintiff exhausts the remedy of pre-institution mediation and settlement.

The Court accepted the plaintiff's submissions that there is every possibility that the defendant may alienate its assets and properties in India considering the number of pending litigations and, therefore, was seeking urgent relief. The Court rejected the submissions of the defendant, stating that this was a clear case of urgent interim relief, which carved out an exception to the mandate of Section 12-A. The Court opined that the plaintiff had made several attempts to settle the matter before approaching this Court, but the defendant only sought to delay and/or defeat the plaintiff's claim. Thus, the Court underscored the pressing nature of the case, and in accordance with the precedent set in Patil Automation Pvt. Ltd. vs. Rakheja Engineers Pvt. Ltd., the Court emphasised that Section 12-A should not be employed as a tool to circumvent genuine requests for urgent interim relief.

24. Acquiescence as a Defence in Copyright Infringement and Passing Off Cases

Case: Brihan Karan Sugar Syndicate Private Limited vs Yashwantrao Mohite Krushna Sahakari Sakhar Karkhana [Civil Appeal No. 2768 of 2023]

Forum: The Supreme Court of India

Order Dated: September 14, 2023

Issue: Whether the defendant infringed upon Brihan Karan Sugar Syndicate Pvt Ltd trademark and copyright?

Order: The Plaintiff, Brihan Karan Sugar Syndicate Pvt Ltd brought an appeal before the Supreme Court against the decision of the Bombay High Court to stay the execution of a decree they had obtained against Yashwantrao Mohite Krushna Sahakari Sakhar Karkhana ("Defendant"). The matter at the heart of the dispute revolved around the Plaintiff's claim of copyright over the "Tango Punch" label and artistic work, which they used for their country liquor business.

The Plaintiff had successfully obtained a permanent injunction against the Defendant, alleging that the labels used by the Defendant were deceptively similar to their own and infringed upon their copyright. This injunction prevented the Defendant from reproducing any part of the "Tango Punch" label in any material form.

However, the Defendant decided to appeal this decision to the Bombay High Court, which subsequently stayed the execution of the decree until the final disposal of the appeal. The Plaintiff contested this decision, arguing that the High Court should not have stayed the execution of a decree that was based on evidence presented during a complete trial.

The core issue here was the requirement to establish goodwill or reputation related to the goods in a suit for passing off action. The Defendant argued that the Plaintiff had failed to provide sufficient evidence to prove their sales, turnover, or advertisement expenses. They contended that a Chartered Accountant certificate alone was not enough to establish goodwill and reputation in connection with their product.

Furthermore, the Defendant pointed out that the Plaintiff had initially objected to the Defendant's application seeking approval for their labels from the Excise Commissioners. However, the Plaintiff later withdrew this objection. According to the Defendant, this withdrawal of objection and the delay in filing the suit amounted to an act of active acquiescence on the part of the Plaintiff.

The Supreme Court, in its judgment, agreed with the submissions made by the Defendant. It ruled that while figures provided by a Chartered Accountant might support the grant of a temporary injunction, it was essential for the Plaintiff to prove goodwill and reputation with concrete evidence at the time of the final hearing. In the Court's view, the failure to do so was a primary reason for the High Court's decision to stay the execution of the decree.

Regarding the issue of acceptance as a defence to copyright infringement, the Supreme Court held that the Plaintiff's withdrawal of objection and the delay in filing the suit indeed constituted an act of active acceptance. This act of acceptance, according to the Court, constituted a complete defence against the action of copyright infringement.

Considering these findings, the Supreme Court dismissed the Plaintiff's appeal, upholding the decision of the Bombay High Court to stay the execution of the decree. This case underscores the importance of providing sufficient evidence of goodwill and reputation in passing off actions and highlights the legal significance of acquiescence as a defence in copyright infringement cases.

25. Protection of Copyright Existing in the Original Adaptation or Expression of Ancient Mythological Texts

Case: The Bhaktivedanta Book Trust, India vs HTTPS://BHAGAVATAM.IN/#GSC.TAB=0 & ORS. [CS(COMM) 657/2023 and I.A. 18425/2023-18431/2023]

Forum: High Court of Delhi

Order Dated: September 21, 2023

Issue: Whether the defendants have infringed the plaintiff's (Bhaktivedanta Book Trust) copyright by reproducing and making available the plaintiff's work on online websites?

Order: The Plaintiff, a trust established by the renowned scholar and religious leader, Srila Prabhupada, claimed copyright in various works based on the Author's teachings, writings, lectures, and preaching. The Plaintiff alleged that Defendant Nos. 1 to 14, including websites, mobile applications, and Instagram handles, were infringing on their copyrights by making available a large number of their works without authorization. The Plaintiff asserted that the copyrights in the works still subsisted with them even after the Author's Mahasamadhi in 1977. Defendant Nos. 1 to 14 were accused of reproducing and disseminating copyrighted works in print, audio-visual, and electronic forms without the Plaintiff's consent. The Plaintiff contended that the reproduction included verbatim copies of the works and unauthorized use of the Plaintiff's name as the source. The Plaintiff highlighted its charitable activities and the reliance on royalties from copyrighted works as a significant source of income.

The court observed evidence of large-scale infringement across various platforms and languages. The court took notice that Legal notices had been issued, and Defendant No. 1 had responded to one such notice. The court recognized the transformative nature of spiritual works but asserted that unauthorized reproductions, including translations, summaries, and introductions, infringed on the Plaintiff's copyrights.

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The Court granted an injunction against Defendant Nos. 1 to 14 from reproducing and disseminating the Plaintiff's works. The court directed Defendant Nos. 15 and 16 to take down infringing mobile applications. The domain 'www.bhagavatam.in,' was directed to be blocked. The Court ordered to block access to infringing websites and platforms.

In this legal dispute between Bhaktivedanta Book Trust and multiple defendants, the court, after a thorough examination of the evidence and legal arguments, rendered a decisive verdict. The court, acknowledging the transformative nature of spiritual works, underscored that unauthorized reproductions, translations, summaries, and introductions infringed upon the Plaintiff's copyrights. Emphasizing the significance of the Plaintiff's charitable activities and the substantial role royalties played in funding these initiatives, the court issued a series of orders. Defendants were restrained from reproducing and disseminating the Plaintiff's works, and specific directives were issued to take down infringing mobile applications, block a domain, and prevent access to infringing websites and platforms. Additionally, the court emphasized the preservation of original books in the court registry and mandated compliance with the orders within a stipulated timeframe. This case sets a precedent in safeguarding intellectual property rights in spiritual works, recognising the potential dilution of the Plaintiff's revenues and the irreparable harm that could result from unchecked piracy. The court's orders aim to balance the protection of the Plaintiff's copyrights with the transformative use of spiritual texts, providing clarity on the boundaries of such reproductions.

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26. Addressing Copyright Infringement on Social Media Channels and Other Digital Platforms

Case: Jainemo Private Limited vs Rahul Shah and Others [CS(COMM) 676/2023 & I.As. 18922/2023]

Forum: High Court of Delhi

Order Dated: September 27, 2023

Issue: Whether the defendants have violated the plaintiff's copyright by distributing, sharing, and making available the copyrighted course material to others for a fee?

Order: The plaintiff in this case is M/S Jainemo Private Limited. They specialise in creating and selling educational material and vocational courses, including those related to coding, computer programming, and website development. The plaintiff's primary platform for offering these courses is their website, www.apnacollege.in, which is widely accessed by individuals seeking to enrol in their courses.

The courses offered by the plaintiff include:

- The plaintiff provides various courses known as ALPHA, DELTA, and ALPHA PLUS.
- These courses include a variety of study materials such as recorded videos, live sessions, assignment questions, reading materials, question banks, and more.
- Access to these courses is granted through the website www.apnacollege.in, where students pay the requisite fee, and the course materials are made available on a dashboard.

The plaintiff claimed that its courses are highly popular, enabling students to acquire skills and secure placements in established companies. The ALPHA course has completed five batches, each with a substantial number of students (ranging from 21,000 to 24,000). The DELTA course, after its initial batch, is already open for admissions for DELTA 2.0, with similar enrolment figures.

The plaintiff asserted that they hold copyright over the study material associated with the videos and the videos themselves are regarded as cinematographic films under the Copyright Act, 1957. The plaintiff argued that significant effort, creativity, time, and dedication go into creating, editing, and uploading each video.

In September 2023, the plaintiff became aware that numerous known and unknown individuals/entities started distributing their courses. This included printed course materials, videos, etc., on platforms like WhatsApp, Telegram, and YouTube. The defendants were using various methods to disseminate the plaintiff's courses, including collecting fees ranging from Rs. 500 to Rs. 1000 to grant access. Students are enrolled through a Google Form, and course materials are made available via Google Drive and Mega.

The plaintiff emphasised the challenge of backup channels on Telegram, where infringers create duplicate or alternative channels to continue distributing copyrighted material even after original channels are taken down. The constant creation of these backup channels requires vigilant and timely action from copyright holders and platforms to address the issue. The plaintiff impleaded numerous defendants involved in infringing activities on platforms like Telegram, WhatsApp, YouTube, Google Drive, Mega, and more. Some platforms submitted that they would provide details of the registrants/operators of these channels/groups to the plaintiff.

The Delhi High Court recognised the challenges presented by widespread digital copyright infringement on various platforms. Injunctions and directives were issued to block access, take down infringing content, and disclose details of infringing parties and channels. The court emphasised the need for swift and effective legal remedies to address digital copyright infringement. The case is scheduled for further hearings, with the next one set for March 22, 2024.

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27. Applicability of Section 60 of Copyright Act After Initiation of Infringement Action

Case: Chancery Pavilion vs Indian Performing Rights Society Ltd [Appeal No.145/2015]

Forum: High Court of Karnataka

Order Dated: September 27, 2023

Issue: Whether an appeal filed under Section 60 of the Copyright Act, 1957 by the Plaintiff was maintainable if the copyright holder has already initiated legal action against the alleged infringer?

Order: This case was filed by the Plaintiff, Chancery Pavilion, a registered Company carrying on the business of hotel, restaurant, cafe, tavern, beer house, refreshment, room and lodging, and housekeeping, etc. The Plaintiff contended that the defendants allegedly claiming themselves to be a Copyright Society registered under the provisions of the Copyright Act, 1957, claimed exclusive right in respect of musical and literary works of its alleged members, started doing aggressive marketing about their Society and about the alleged powers granted to them by the Government of India as regards the business to be carried on by them.

It was also contended that to muster funds for their company, they had issued and have been issuing threatening public notices in various newspapers about their alleged powers directing those establishments and outlets which allegedly play pre-recorded music in their establishments or outlets to obtain necessary licence from the defendant. The defendants also threatened the establishments, like the Plaintiff, that they would conduct police raids on their establishments for alleged infringement of copyrights.

The Plaintiff further contended that under protest, without prejudice to its rights, the Plaintiff was constrained to obtain a licence from the defendants in order to avoid harassment and pressure from the defendants.

After the expiration of the Plaintiff's license in 2007, the defendants threatened the Plaintiff again with legal actions, against which the Plaintiff

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filed a suit u/s 60 in Bangalore on January 19, 2013. After this, the defendants also filed a suit before the Delhi High Court on April 2, 2013. Considering the subsequent suit filed by the defendant, the Trial court rejected the Plaintiff's suit on 5 December 2014, against which the Plaintiff preferred an appeal before the Karnataka High Court. The Karnataka High Court also dismissed the Plaintiff's appeal, agreeing with the trial court without issuing any finding on merits.

The High Court dismissed the Plaintiff's appeal and upheld the Trial Court's decision to reject the Plaintiff's suit. The court observed that, according to the Plaintiff, the alleged action of the defendants was an empty threat. The defendants have shown that positive action has been initiated by filing a proper suit before the High Court of Delhi, which is numbered CS(OS)No.616/2013, on 02.04.2013.

Since the defendants filed a separate suit after the suit came to be filed by the Plaintiff in O.S.No.617/2013 on 19.01.2013 at Bengaluru, the said suit filed by the Plaintiff at Bengaluru would not be maintainable. In other words, the right of the Plaintiff to initiate action under Section 60 of the Copyright Act, 1957 would automatically terminate.

Accordingly, the Delhi High Court decided that the Plaintiff's suit in Bengaluru was no longer tenable due to the proviso to Section 60 of the Copyright Act. The court also stated that the Plaintiff has an opportunity to defend their case in the Delhi High Court, but the court did not allow the present appeal to address the merits of the case.

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28. Permanent Injunction Against Rogue Websites Streaming Copyright Cinematograph Content

Case: Star India Pvt Ltd & Anr. vs Yodesiserial.Su & Ors [CS(COMM) 353/2021]

Forum: High Court of Delhi

Order Dated: October 4, 2023

Issue: Whether the Plaintiff Star India Pvt. Ltd. is entitled to get an injunction against “rogue websites” for its copyright infringement?

Order: The plaintiffs (Star India Pvt. Ltd.), in this case, are producers of television shows, films, and web series. They broadcast these contents on their channels and on the Disney plus Hotstar platform, which is owned and operated by Plaintiff No. 2. The plaintiffs assert copyright over various shows and films listed, claiming exclusive rights to these contents.

The plaintiffs had provided agreements to establish their status as the first owners of the copyright for the mentioned shows. These agreements indicate that they are the first owners of the copyright as producers.

The plaintiffs argued that they have exclusive rights to stream or telecast the content in question, and they rely on Sections 37 and 51 of the Copyright Act to support their claim.

Defendants Nos. 1 to 48 are rogue websites that engage in pirating copyrighted content on the Internet. The plaintiffs have provided substantial evidence to demonstrate that these defendants are involved in pirating their copyrighted content.

The plaintiffs referred to previous court decisions, such as the Department of Electronics & Information Technology v. Star India Pvt. Ltd., to support the takedown of rogue websites.

The evidence provided in the case documents confirmed that the defendants were involved in rampant piracy of copyrighted content, consistent with the concept of "rogue websites" previously defined by the court.

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Defendant No. 49 was the domain name registrar for Defendant No. 48, and Defendant No. 50 to 58 were internet and telecom service providers responsible for granting access to these rogue websites. Defendant Nos. 59 and 60, the Department of Telecommunications and the Ministry of Electronics and Information Technology are tasked with ensuring court-ordered injunction compliance.

Orders from previous cases where injunctions were granted, were also provided as further evidence. In response to the plaintiff's submissions, the court issued summons to the defendants and an ad interim order was passed.

Subsequently, more platforms/defendants were added to the case, all engaging in unauthorised broadcasting of the plaintiffs' copyrighted content. Interim directions were extended to these additional defendants. As no written statements were filed by many defendants, their right to do so was struck off by the court. The court observed that these rogue entities do not appear to contest the case, and this behaviour is typical in such matters.

Considering the non-appearance and the nature of the defendants' activities, the court deemed the assertions in the plaintiff's case as admitted. The court decreed the suit under Order VIII Rule 10 of the Code of Civil Procedure.

Permanent injunctions were issued against the defendants to prevent them from communicating, hosting, streaming, or making the plaintiffs' copyrighted content available without authorisation. The suit was decreed without any further directions or requirements.

The court also confirmed that Defendants 49 to 61, who had previously complied with the court's directions, need to maintain the status quo regarding the websites. The plaintiffs did not press for costs or damages, and as such, the suit was decreed without costs or damages awarded.

29. Unauthorised Broadcast of Television Programs Amounts to Copyright Infringement

Case: Viacom18 Media (P) Ltd. vs Biggbos.live [CS(COMM) 730/2023, I.A. 20182/2023, 20183/2023, 20184/2023, 20185/2023]

Forum: High Court of Delhi

Order Dated: October 12, 2023

Issue: Whether the defendants' unauthorised broadcasting and dissemination of 'Bigg Boss' programs constituted copyright infringement of Viacom18's broadcast and reproduction rights?

Order: Viacom18 Media Private Limited, a prominent broadcaster, initiated a lawsuit seeking the protection of its rights, including reproduction rights, for the program 'Bigg Boss' in all formats. 'Bigg Boss' is a reality show based on the international Dutch show 'Big Brother,' owned by M/s Endemol Shine IP BV.

The program features participants living together in isolation, and Viacom18 obtained format rights for 'Bigg Boss' from M/s Endemol Shine IP BV through an agreement dated August 17, 2020. 'Bigg Boss' has been produced and broadcasted in India since 2008, with 16 seasons in Hindi. Season 17 was scheduled to launch on October 15, 2023. Viacom18 holds exclusive rights for broadcasting 'Bigg Boss' in Hindi, Kannada, and Marathi, and it broadcasts these programs on its television channels, Colors and Colors Kannada, and its OTT platform 'JioCinema.'

The defendants (Defendant Nos. 1-5) operated websites with domain names related to 'Bigg Boss.' They made previous seasons and programs of 'Bigg Boss' available without authorisation, primarily through Video-On-Demand (VOD) platforms that required users to register, subscribe, and make payments for unauthorised content. Viacom18 was concerned that this unauthorised dissemination, coupled with plans to record and broadcast future seasons on their platforms, would significantly impact its business,

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potentially causing substantial copyright infringement. Thus, Viacom18 sought an injunction against these websites.

The court granted an ex-parte injunction, restraining Defendant Nos. 1-5 from broadcasting, telecasting, streaming, retransmitting, and hosting any 'Bigg Boss' episodes, both past and future. It ordered the suspension/locking of the domain names associated with these websites and directed the Department of Telecommunications (DoT) and the Ministry of Electronics and Information Technology (MeitY) to issue blocking orders against these websites, which all Internet Service Providers (ISPs) were required to enforce upon receiving instructions from Viacom18, DoT, or MeitY.

The court allowed Viacom18 to file applications against any future websites found infringing on its broadcasting and telecasting rights for 'Bigg Boss,' extending the injunction to these websites. The Domain Name Registrars (DNRs) were directed to provide registrant details upon Viacom18's request. Compliance with the court's order was permitted through email, and the matter was listed for future dates.

30. No Restrain on Use of Satinder Pal Singh Sartaaj's Song 'JALSA' Due to Unclear Position Following Multiple Pending Suits

Case: Saga Music Private Limited & Anr. vs Sony Music Entertainment India [CS(COMM) 313/2023, I.A. 9469/2023 & 13661/2023]

Forum: High Court of Delhi

Order Dated: October 16, 2023

Issue: Whether the defendant Sony Music Entertainment India Infringed upon the copyrighted sound recording 'JALSA' of the plaintiff?

Order: The plaintiff filed the suit, one Mr. Hardip Singh Sidhu, an assignee of Defendant No. 4 herein Sony Music Entertainment, seeking an injunction against the use of the 'JALSA' sound recording by Defendant No. 3, Satinder Singh Sartaj, and a declaration that he had no rights to it. Further, the plaintiff also sought an injunction restraining Defendant No. 1 Saga Music Pvt. Ltd. and Defendant No. 2 Unisys Infosolutions Private Limited from infringing the plaintiff's alleged copyright in the song/sound recording 'JALSA' inter alia by making copies of the recording of the performance of the song/sound recording 'JALSA' at the Sydney Opera House Concert by uploading the same on YouTube.

Regarding the chronology of events, the artist Satinder Singh Sartaj wrote the lyrics and recorded the song 'JALSA,' which was first performed in 2014. Thereafter, he entered into an Exclusive Album Assignment Agreement on April 22 2014, which, according to the plaintiff, had assigned all rights in the song, including the literary works, the musical works, performances and performer's rights etc., to Sony Music, which were then later assigned to the plaintiff vide Assignment Agreement dated July 17 2018.

However, once the Sydney Opera House Live Concert took place in 2019, where the song/sound recording 'JALSA' was performed by Defendant No. 3 Satinder Singh Sartaj, it was stated that the artist had assigned the rights in his sound recording to M/s Unisys Infosolutions Private Limited (`Unisys'), i.e., Defendant No. 2 vide Copyright Assignment Agreement dated August 16, 2022, who in turn had licensed the said rights vide Copyright Assignment Agreement dated August 18, 2022, to M/s Saga Music Private Limited (`Saga Music') i.e., Defendant No. 1, and which is why the latter parties had the rights to upload the recordings of the said performance on YouTube.

The dilemma that arose for the Court in deciding the present case was due to the fact that there were two other suits already pending in the Court in respect of the same song, 'JALSA' and wherein interim orders had been passed in favour of both claimants' sides, making the position unclear.

In Suit No. CS(Comm) 313/2023, the entities M/s Saga Music Private Limited and M/s Unisys Infosolutions Private Limited had filed for a suit of injunction against Sony Music Entertainment India and its related parties, as the latter, claiming that they had the rights in the song ‘JALSA’, had been threatening to issue copyright strikes against them over the sound and video recordings of the song and the underlying musical and literary works, namely “Sydney Opera House Live Concert by Sartaaj Singh” or any part thereof, including the recording of song “Jalsa” sung and performed by Satinder Singh Sartaj in the said concert.

After assessing the case, the court opined that the Plaintiffs had made out a prima facie case in their favour due to the Copyright Assignment Agreement dated August 16, 2022, which assigned the copyright in the said works to them and, thus, had granted an ex-parte ad interim injunction against the Defendants, restraining them from issuing any groundless threats of copyright strikes or initiating legal proceedings against the Plaintiffs. On the other hand, in the second suit, Suit No. CS(Comm) 658/2023, when M/s Saga Music Private Limited once again instituted a suit for a permanent injunction against Sony Music Entertainment India Pvt. Ltd, to restrain the use of 'JALSA' in an upcoming movie Mission Raniganj, the coordinate bench of the court refused to pass the order of injunction, opining that Sartaaj had priorly entered into an “Exclusive Album Assignment Agreement” in 2014 with Sony Music and hence “prima facie, no rights could have been assigned in the underlying works” to the Plaintiffs through the subsequent Copyright Assignment Agreement dated August 16, 2022,

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since the Copyright Assignment Agreement would have “no legs to stand on”, considering Sartaaj himself did not own any rights in the underlying works.

Therefore, in light of the above two pending suits with interim orders favouring both sides, in addition to the present suit, the Court noted that it would like to consider the agreements placed on record by both sets of claimants, i.e., the Defendants herein - M/s Saga Music Private Limited and M/s Unisys Infosolutions Private Limited on the one hand and the Plaintiffs. On the other hand, Hardip Singh Sidhu and Sony Music heard the entire matter comprehensively rather than immediately directing to take down the video and sound recordings of the Sydney Opera House Concert, which had already been uploaded on YouTube since August 16, 2022.

Accordingly, the Court issued the interim directions that the YouTube recordings of the Sydney Opera House concert, already posted on the said platform, could continue to remain online; however, the Defendants were required to disclose the amount of revenue that they had earned from the said YouTube videos consisting of the Sydney Opera House Concert performance of the sound recording ‘JALSA’ and that thereafter they were prohibited from uploading any such fresh videos.

Thus, the Court noted that it was clear that Sartaaj had entered into multiple agreements of assignment in respect of the same song with different parties, who were now all vying for the position of being the legitimate rights holder. Thus this lawsuit highlighted the “precarious position” in which artists, film producers, companies that manage rights in music, and others were placed in due to the execution of multiple agreements in respect of the same work by the author. The Court’s decision herein to hear the matter comprehensively before passing any orders emphasizes the duty of the Court to untangle and determine the true rights holder from the multiple copyright rights that ordinary artists often end up assigning without realising the complexity of law involved and making sure that interests of all the parties involved are balanced.

31. Dissecting the Copyright Protection of Traditional Musical Works

Case: Ustad Faiyaz Wasifuddin Dagar vs Mr. A.R. Rahman & Ors. [CS(COMM) 773/2023]

Forum: High Court of Delhi

Order Dated: October 20, 2023

Issue: Whether the defendant infringed the copyrighted musical work titled 'Shiv Stuti,' composed by plaintiff's father and uncle and owned by the plaintiff?

Order: The Plaintiff is Ustad Faiyaz Wasifuddin Dagar - a descendant of the family lineage of Dhrupad vocalists who have been singers from the Dagar Gharana for 20 generations. Both the Plaintiff's father and uncle passed away in 1989 and 1994, respectively. The Plaintiff has been vested all the rights in all the compositions of his father - Ustad Faiyaz Wasifuddin Dagar, and uncle, Ustad N. Zahiruddin Dagar, by way of arrangement entered into with all the legal heirs.

One of the earliest compositions of the Plaintiff's father and uncle was stated to be the 'Shiv Stuti', which was sung in Raag Adana in the 1970s. As per the Plaintiff, it was composed in the 1970s and was performed by his father and uncle in various international concerts, including the one held at the Royal Tropical Institute in Amsterdam on 22nd June 1978. The 'Shiv Stuti' composed in the Adana Raag was also part of the album, which was launched by the Plaintiff's predecessors and titled Shiva Mahadeva by the Dagar Brothers by the music company PAN records.

The Defendant No.1 is the well-known Indian music composer Mr. A.R. Rahman. Defendant No. 2 - Madras Talkies, which is owned by Mr. Mani Ratnam, and Defendant No. 3 - Lyca Productions Private Limited, are co-producers of the Film – Ponniyin Selvan - 2 (PS2). Defendant No. 4 - Tips Industries Limited were assigned the music of the said film. Defendant No. 5 - Mr. Shivam Bharadwaj and Defendant No. 6 - Mr. Arman Ali Dehlvi are former disciples of the Plaintiff who sung the song in question, i.e., ‘Veera Raj Veera’ of the said film.

In this suit, the Plaintiff alleged that in the film PS2, a song by the name ‘Veera Raj Veera’ was filmed, which was based on the ‘Shiv Stuti’ composition in which the Plaintiff owns rights. The case of the Plaintiff was that although the lyrics of the song ‘Veera Raj Veera’ were different, the taal and the beat were identical, and the composition itself was identical to the Plaintiff’s original composition based on the Raag Adana.

It was pointed out that Plaintiff learned of the said song in April 2023 when it was released for the first time on social media and television. Immediately thereafter, the Plaintiff wrote a personal letter to Defendant No.1 on 13th April 2023 wherein it was brought to the notice of Defendant No.1 that the ‘Shiv Stuti’ composition has been imitated in the ‘Veera Raj Veera’ song. Thereafter, Plaintiff sent an email dated 20th April 2023 through counsel intimating the Defendant No. 1 of the infringement of the Plaintiff's copyright and moral rights of the Junior Dagar Brothers i.e. the Plaintiff’s father and uncle.

The Court heard the two compositions and stated that there could be an infringement of copyright in a musical work even without the words, the lyrics, and the action being similar.

After hearing the parties and two compositions, the Court directed Defendant No.1 to produce the raw recording of the ‘Veera Raj Veera’ song along with its reply to the notation chart, which was handed over by Plaintiff. While the case awaits a final decision, it holds significant implications for the Indian music industry and the protection of artistic creations and will likely impact the manner in which traditional musical works are accorded legal safeguards.

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32. Using Sound Recordings without License Amounts to Copyright Infringement: Delhi High Court

Case: Phonographic Performance Ltd. vs Gola Sizzlers Pvt. Ltd. [CS(COMM) 763/2023, CS(COMM) 764/2023 and CS(COMM) 765/2023]

Forum: High Court of Delhi

Order Dated: October 20, 2023

Issue: Whether the use of sound recordings which form the plaintiff's repertoire by the defendants constitute to copyright infringement?

Order: The plaintiff, Phonographic Performance Limited, owns and controls radio broadcasting and public performance rights for over 400 music labels, with over 45 Lakhs of international and domestic sound recordings. The plaintiff claimed to be the copyright owner in these recordings, having been assigned the right by the original copyright owners under Section 18 of the Copyright Act 1957. By the said assignment, exclusive entitlement to grant licenses for public performance of the said recording vested in the plaintiff.

The list of sound recordings that form the plaintiff's repertoire and with respect to which the plaintiff enjoys the exclusive right to grant a license was available on the plaintiff's website: https://www.pplindia.org/songs.

The grievance of the plaintiff was that the defendants are playing the plaintiff's sound recordings, in which the plaintiff holds copyright and which form part of the plaintiff's repertoire, as reflected on the website, without obtaining any license from the plaintiff.

The plaintiff claimed to have sent various legal notices to the defendants in these cases, calling on them to take a license from the plaintiff before playing the recordings in which the plaintiff holds the copyright, but avers that these notices did not elicit any response except from Defendant 2 in CS (COMM) 765/2023.

Thus, the plaintiff applied Order 39 Rules 1 and 2 of the CPC, seeking an interim injunction and restraining the defendants from playing recordings which formed part of the plaintiff's repertoire without obtaining any license from the plaintiff.

The Delhi High Court opined that the facts presented in the plaint justified the grant of ex parte ad interim injunction. If, in this case, an injunction is not issued, the defendants would have the freedom to play the plaintiff's copyrighted recordings, taking a license from the plaintiff. The Court granted the present interim injunction only to the extent of the recording in which the plaintiff had the copyright and formed part of its repertoire.

The Court concluded that the balance of convenience lies with the plaintiff; if such relief weren't provided, it would only encourage the defendant to keep using and exploiting the plaintiff's copyright, leading to irreparable prejudice to the plaintiff. Accordingly, the Court restrained the defendants from exploiting, using, or transmitting the plaintiff's copyrighted recordings forming part of its repertoire available on its website or at any of its premises without obtaining a prior license from the plaintiff.

33. The Implications of Copyright Law on Online Music Streaming Services

Case: WYNK Ltd vs TIPS Industries Ltd [Commercial Appeal No. 424 OF 2019]

Forum: High Court of Bombay

Order Dated: October 20, 2023

Issue: Whether streaming and allowing downloads of copyrighted musical works, constituted infringement of Tips Industry's copyrighted content?

Order: The dispute stemmed from a licensing agreement between two major players in the music industry. Tips Industries Ltd., the copyright holder of an extensive repertoire of sound recordings, had initially granted Wynk Music Ltd., the owner and operator of an internet-based music streaming service and music downloading OTT facility, a license to use Tips's content. The licensing agreement was in effect until October 2016. However, when the parties failed to renew their agreement through a written contract, Tips insisted that Wynk discontinue using its music repertoire for any purpose by November 7, 2016, and demanded payment for usage during the extension period.

Subsequently, protracted negotiations took place between Tips and Wynk, resulting in an agreement for a minimum guaranteed payment of Rs 4.5 Crores for the use of Tips's repertoire over a two-year term, with Rs 2.5 crores designated for the second year. However, only the execution of a formal document remained pending. Wynk disputed this agreement, claiming that no such financial figure had ever been agreed upon.

The situation escalated when Tips demanded that Wynk cease and desist from exploiting its repertoire starting on May 10, 2017. Wynk did not comply with this demand. On November 17, 2017, Tips requested royalty payments of Rs 2.83 crores for the exploitation of their copyrighted material. They also directed Wynk to deactivate the entire Tips repertoire from the Wynk platform and requested a report on the content consumed during the unlicensed period.

Wynk invoked Section 31D of the Copyright Act, claiming its rights as a 'broadcaster.' It is important to note that, at the time, the existing Copyright Board/Intellectual Property Appellate Board had not yet determined the rates for such licenses. Nevertheless, Wynk agreed to pay Rs 10 lakhs as the first tranche of royalty, calculated at 10 paise per stream, totalling an aggregate of Rs 1.41 Crores for the period from September 2016 to November 2017. Tips rejected this offer and specifically disputed Wynk's right to invoke Section 31D for its services.

Subsequently, Tips initiated legal action against Wynk, seeking injunctions, both permanent and temporary, to prevent Wynk from communicating the Tips repertoire to the public and from allowing Tips repertoire songs to be downloaded, rented, or commercially exploited. These actions prompted a legal examination of the application of Section 31D of the Copyright Act.

The Bombay High Court's analysis of Section 31D of the Copyright Act began by drawing a distinction between traditional FM broadcasting and online music streaming services like Wynk, Gaana, and Spotify. The court noted that online services provided users with a wider choice of music selection, individual track selection, and playlist creation, differentiating them from traditional radio broadcasts where users have limited control over content selection.

The court examined Wynk's claim that Section 31D encompassed all forms of dissemination covered by the terms "broadcast" or "communication to the public" but did not explicitly mention the internet. In contrast, Tips contended that Section 31D was restricted to traditional radio and television. The court carefully analysed various provisions of the Copyright Act, including those related to copyright, assignment, licenses, compulsory licenses (Sections 31A, 31D), copyright infringement (Sections 51, 52), and relevant rules under Chapter VIII of the Copyright Rules 2013.

In particular, the court highlighted Rule 29(4), which directed technical aspects toward radio and television, as well as Rule 31 concerning the bifurcation of royalties between radio and television. The court also

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considered that at the time of introducing Section 31D, the Internet and its various services were already in existence, suggesting that the legislature had taken this into account when formulating the amendment. The court stated that if Section 31D did not explicitly include the internet and limited itself to radio and television, it indicated the statutory intent.

Regarding the aspect of downloads, the court delved into what constituted commercial rental. It excluded rental, lease, or lending of lawfully acquired copies of computer programs, sound recordings, visual recordings, or cinematograph films for non-profit purposes by non-profit libraries or educational institutions. The court concluded that Wynk, being a for-profit entity, allowed users access to copyright-protected material through caching, which constituted 'lending.' If not exempted as non-profit, it qualified as a commercial rental.

The court ultimately affirmed the Single Judge's finding that statutory licenses under Section 31D were confined to traditional non-internet-based radio and television broadcasting and performances. Section 31D did not apply to internet-based offerings. Additionally, the court emphasised that notice could not be given until rates were fixed, a responsibility assigned to the Commercial Court, and that no notice as contemplated by Section 31(D)(2) could be served or issued until those rates were determined under Rule 29(1) proviso 3.

The Bombay High Court upheld the impugned judgment and order passed by the Single Judge. The court's decision rested on the premise that Wynk, driven by commercial profit motives and unilateral fee determination, did not align with the statutory intent of Section 31D, which was not intended for internet-based services like Wynk. The court emphasised that Wynk's service was not a public service but catered to subscribers, and as such, it did not qualify for a compulsory license under Section 31D of the Copyright Act, 1957. This case provided significant clarification of copyright law in the context of online music streaming services and the applicability of Section 31D to such services.

34. Remove Copyright Content from Digital Library or Change your Tune!

Case: Zee Entertainment Enterprises Ltd. vs Mohalla Tech Private Limited [CS(COMM) 745/2023]

Forum: High Court of Delhi

Order Dated: November 1, 2023

Issue: Whether the use of the Plaintiff's copyrighted content by the Defendant after the expiration of the license constitute infringement?

Order: The Plaintiff, Zee Entertainment Enterprises Ltd. (Zee), claims to own copyright in various music recordings. It entered into a licence agreement dated 8 September 2020, continued to vide first and second addenda dated 12 August 2021 and 15 August 2022, with the Defendant Mohalla Tech Pvt. Ltd. (MTPL), whereunder MTPL was allowed to store the licensed content of the Plaintiff in its library, so that the content would be available to MTPL users who could listen, preview and synchronize/incorporate the licensed content in their content.

The said license agreement elapsed on 14 July 2023 and was not renewed thereafter. As per the reply dated 1 September 2023 from MTPL to Zee in respect of legal notice issued by the latter, MTPL had, consequent to the expiry of the license agreement on 4 July 2023, removed Zee's licensed content from its audio library expeditiously, thereby restraining the users from utilizing the said licensed content in any manner whatsoever.

The Plaintiff's grievance was that, despite the above assertions, songs and recordings in which Zee holds copyright continued to be part of the curated library of MTPL, from which, using the Apps ShareChat and Moj, as well as the websites ShareChat.com and MojApp, allow users to exploit the said recordings. It was submitted that this would amount to infringement of the Plaintiff's copyright and also breach the license agreement. It would also be unauthorized, as the license agreement between the Plaintiff and MTPL has already expired. The plaintiff submitted that it had no objection to MTPL using remix or cover versions of its copyrighted content or user-generated content, even if, to some extent, the Plaintiff's copyrighted content was contained therein.

MTPL submitted that all such recordings that Defendant may make available to its customers through the ShareChat and MojApp Apps and websites were either remixes or cover versions or constitute user-generated content. MTPL further pointed out that the only identified copyrighted content of the Plaintiff, as filed with the plaint, was in the form of 134 films/clips enlisted in Schedule 1A of the User Content and Revenue Sharing Agreement.

The Court directed the Defendant to remove the 134 films/clips recordings from its library through which recordings can be accessed by users using the ShareChat and MojApp Apps and websites. The Court also clarified that there was no injunction on Defendant using the cover versions, remixes, or user-generated content.

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35. The Equilibrium of Prima Facie Case and Irreparable Injury Principles

Case: L. Prakasam Reddy vs Paras Medical Publishers [Civil Miscellaneous Appeal No.318 of 2023]

Forum: High Court of Telangana

Order Dated: November 9, 2023

Issue: Whether there was a prima facie case and irreparable injury to the aggrieved at the interim injunction stage?

Order: This appeal was filed by the defendants against the order dated 29.03.2023 passed by the Commercial Court by which application for temporary injunction filed by the plaintiffs has been allowed, and the appellants herein have been restrained from printing, publishing, or distributing the eighth edition of the textbook, namely Fundamentals of Medical Physiology.

Appellant No.1 is a retired professor in physiology with 45 years of experience in teaching and researching and practical expertise in physiology. The appellants, Nos.1 to 5, are the authors of the medical textbook Fundamentals of Medical Physiology. Appellant No.1 has authored eight textbook editions based on his continued research.

On 30.01.1999, appellant No.1 entered into an agreement with the first Respondent's publishing house for publishing a medical textbook, namely Fundamentals of Medical Physiology - Second Edition. Between the years 1999 and 2015, appellant No.1 published four editions of the medical textbook. After that, the Agreement was superseded, and the appellants and the respondents entered into a fresh agreement on 18.04.2015 to publish a new edition of the medical textbook. The appellant, Nos.1 to 5, by a letter dated 16.11.2022, terminated the Agreement, among other things, on the grounds that.

(a) respondents failed to make satisfactory efforts in publishing and marketing the textbook.

(b) respondents failed to communicate the actual sales of the textbook, and

(c) respondents did not make any efforts to increase the availability of the textbook.

After that, appellant Nos.1 to 5 published the eighth edition of the textbook in January 2023 with the support of another publishing house, namely appellant No.6.

Thereupon, the respondents filed a suit against the appellants seeking relief of permanent injunction, damages to the tune of Rs.1 crore along with interest @ 18% and for the relief of rendition of accounts. Along with the plaint, the respondents filed an application seeking a temporary injunction restraining the defendants from printing, marketing, distributing, reproducing, publishing, or making alterations to the book, namely Fundamentals of Medical Physiology, Volumes I and II, in any manner.

The Commercial Court, by an order dated 29.03.2023 inter alia, held that the assignment agreement was executed between the parties under which the respondents/plaintiffs had been paying royalty regularly to the appellant Nos.1 to 5/defendant Nos.1 to 5. It was further held that the validity of the termination of the Agreement could only be considered after trial, and for the purposes of consideration of the interlocutory application, it has been held that the assignment of copyright in favour of the respondents/plaintiffs is absolute. It was further held that defences like undue influence and misrepresentation with respect to the Agreement dated 18.04.2015 could be considered only during trial. Therefore, it was held that the respondents/plaintiffs have a prima facie case. The Commercial Court further concluded that in case the appellants/defendants are not restrained from any further publication of the book, the same shall result in a huge loss to the respondents/plaintiffs. Accordingly, the Commercial Court allowed the application for the grant of temporary injunction and restrained the appellants/defendants from printing, publishing, marketing, or distributing or allowing any others on their instructions to print, market, publish, distribute, or reprint any of the previous editions, including the eighth edition of the book till disposal of the suit. In the aforesaid factual background, this appeal has been filed.

The Appellants argued that the suit is prima facie barred under Order II Rule 2 of the Code of Civil Procedure, 1908. It is also argued that the injury which may be caused to the respondents/plaintiffs can be measured in terms of the damages. It was also contended that the Agreement provides for payment of royalties and imposes an obligation on the respondents/plaintiffs, and therefore, the Commercial Court erred in treating the same as assignment.

The respondents submitted that the parties had entered into an assignment agreement on 18.04.2015, and if Section 18(2) read with Section 19(3) of the Copyright Act, 1957 is read in conjunction, it is evident that the same provides for assignment even on payment of royalty. It is submitted that the appellants did not raise any protest till 16.11.2022. It is also contended that the appellants have no right to unilaterally terminate the assignment agreement. It is contended that the respondents are not required to challenge the unilateral cancellation of the assignment agreement, and the remedy available to the appellants/defendants is under Section 57 of the Copyright Act. It is contended that the respondents/plaintiffs have a prima facie case in their favour, and the Commercial Court has rightly granted the injunction as the respondents/plaintiffs would have suffered irreparable loss if the injunction as prayed for was not granted.

After considering both arguments, the Court noted the well-established distinction between the assignment of a copyright and the licence thereof, which is well-settled. Assignment transfers title in the copyright, whereas licence merely permits certain things to be done by the licensee. The title in the copyright is assigned to the assignee, whereas the licence is personal. Before proceeding further, The Court considered the decisions of the Supreme Court in the case of Wander Limited vs. Antox India Private Limited and others while dealing with the issue of whether a prima facie case is made out by the Plaintiff in that case.

The Court noted that the Agreement executed between the parties on 18.04.2015 is titled an "assignment agreement". Under clause (1) of the aforesaid Agreement, the authors have transferred all intellectual property rights, including copyrights, in favour of the publisher. Clause (5) provides for royalties and accounting procedures. Therefore, the Agreement appears to be an assignment agreement. Thus, the plaintiffs have been able to make out a prima facie case as serious questions must be tried in the suit.

It is pertinent to note that the balance of convenience was in favour of the defendants in the suit as in case they were prevented from publishing the book, the students would be deprived of the benefit of the latest edition of the book.

The Court adverted to another essential ingredient for the grant of injunction: irreparable injury. In this case, even though the plaintiffs were able to establish a prima facie case in their favour, they failed to fulfil the requirement to demonstrate that irreparable injury would be caused to them in case an injunction as prayed for is not granted.

The Court established that the Commercial Court had failed to apply the well-settled legal principles for the grant of injunction, namely irreparable injury. Therefore, the case for interference in this appeal was made out.

For the abovementioned reasons, the order dated 29.03.2003 passed by the Commercial Court in I.A.No.8 of 2023 in COS.No.3 of 2023 was set aside. However, respondent Nos.1 to 6 were ordered to keep an account regarding printing, marketing, publishing, distributing, or reprinting any previous editions, including the eighth edition of the medical book, namely Fundamentals of Medical Physiology.

36. PPL not being a Registered Copyright Society, not a ground to skip seeking the necessary Music License

Case: Phonographic Performance Ltd. vs Esteem Services [CS(COMM) 723/2023 & I.A. 22659/2023]

Forum: Delhi High Court

Order Dated: November 10, 2023

Issue: Whether the Defendant, Esteem Services, was infringing the Plaintiff's copyright by intending to play sound recordings without a license?

Order: The Plaintiff filed a suit of infringement of copyright on the apprehension that the Defendant intends to play sound recordings that form a part of the collection of the Plaintiff, in which the Plaintiff holds the copyright without obtaining a license from the Plaintiff. The alleged infringement was anticipated during a program scheduled for October 27, 2023, at the restaurant "Lutyens" in New Delhi. Plaintiff contended that Defendant Esteem Services may exploit the copyrighted recordings at any time before the specified event.

The Defendant contended that there are various associations, such as DJ Light & Sound Association Chandigarh, 3193, Sector-19D, Chandigarh, who are misinforming the public that licences need not be taken from the copyright holders of such recordings on the ground that they are not registered copyright societies. Against this submission, the Court underscored that this specific contention stood considered and rejected by the Court vide an order dated December 17, 2021, in CS (COMM) 671/2021 Phonographic Performance Limited v. Canvas Communication, in which the Court had categorically held that obtaining of a licence from the owner of copyright in recordings which are proposed to be played is mandatory, irrespective of whether the owner is, or is not a copyright society.

The Court, vide its order dated October 10, 2023, commented that no association has any authority or right to misinform the public and exhort

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them not to conform with Court orders. The Court showed its disapproval of the propaganda by such DJ Associations, which misleads persons who want to play such recordings into believing that no license needs to be taken from the copyright owner in the recordings. The Court had accordingly directed that DJ Light & Sound Association Chandigarh, 3193, Sector-19D, Chandigarh, be additionally impleaded in the matter as Defendant 2. The Plaintiff was also permitted to amend the plaint to incorporate specific allegations against the said association.

On November 11, 2023, the Court noted that despite the directions passed by the Court on October 11, 2023, against Defendant No. 2, instead of taking remedial steps to correct their mistakes, Defendant No. 2 organised a candle march on October 26, 2023, protesting against the Plaintiff and continued to mislead the public into believing that no license is required to be acquired from the Plaintiff before playing copyrighted recordings in public.

Consequently, the Court vide its order dated November 11, 2023, injuncted Defendant no. 2, DJ Light & Sound Association, from propagating the message that no license needs to be taken from Plaintiff, Phonographic Performance Limited, before playing any recordings in which Phonographic Performance Limited holds copyright. The Court concluded by stating that if Defendant No. 2 does not stop propagating wrongful messages to the public, strict action will be taken against them. The final view is yet to be taken by the Court in the future hearing(s) in this case.

37. Facing the Music of Copyright Infringement

Case: Phonographic Performance Limited vs Cornerstone Sports and Entertainment Pvt. Ltd. & Ors. [CS(COMM) 814/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether One8Commune had infringed on the copyrights owned by Phonographic Performance Ltd. (PPL) by playing their copyrighted songs without a license?

Order: This case was filed by the Plaintiff, Phonographic Performance Ltd., against the defendant One8Commune to restrain the use of PPL's copyrighted music in the chain of restaurants. The Plaintiff claimed that One8Commune played their copyrighted songs without obtaining the necessary copyright license.

Plaintiff submitted that notices had been addressed to Defendant, calling upon them to desist from playing Plaintiff's copyrighted recordings without obtaining a license from Plaintiff. However, despite the notices, the defendants continued to play the copyrighted recordings. Defendant One8Commune submitted that he would not play any of the copyrighted recordings forming the subject matter of this suit, in which Plaintiff holds the copyright without obtaining a license from Plaintiff prior to it.

The Court stated that the Plaintiff being the owner of copyright in the recordings, which form part of its repertoire and which find place on the website https://www.pplindia.org/songs, it would not be permissible to anyone to play the said recordings without obtaining a prior license from the Plaintiff, especially where the recordings are being played for commercial benefit. The Court held that till the next date of hearing, the defendants, as well as all others acting on their behalf, shall stand restrained from playing any of the recordings forming subject matter of the Plaintiff's copyright without obtaining a prior license from the Plaintiff.

38. The Subtle Art of Copyright Infringement Cases

Case: St Art India Foundation & Anr. vs Acko General Insurance [CS(COMM) 822/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether the Defendant's use of the mural titled 'Humanity' constitutes copyright infringement?

Order: Plaintiff No. 1- St+Art India Foundation, and Plaintiff No. 2- Paola Delfin Gaytan (hereinafter, 'the Plaintiffs'), have filed the present suit against Defendant - Acko General Insurance objecting to Defendant's use of one of the Plaintiffs' artistic works in its advertisements.

The Plaintiffs' case is that they are involved in urban regeneration by incorporating artistic works to make urban cities and spaces more interesting and artistic. The Plaintiffs claim their name 'St+Art' suggests that they play an instrumental role in embedding artistic elements in the streets of Indian urban centres, especially in metropolitan cities such as Delhi, Mumbai, Hyderabad, and Bengaluru. The plaintiffs aim to make public spaces more vibrant and interactive.

The subject matter of the present suit is a mural titled 'Humanity':

The above artwork was created by Plaintiff No.2 in collaboration with Plaintiff No.1 under an Artist Agreement dated 3 October 2022. Under the

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said Agreement, the Plaintiffs jointly own the copyright and all related IP rights of the Works of Art (hereinafter, ‘WOA’) created during the projects taken up by the Plaintiffs. The Plaintiff averred that the said Agreement includes the artwork titled 'Humanity', for which admittedly no rights have been licensed to any third parties. Furthermore, it is stated that the said Agreement also provides that Plaintiff No. 1 has the right to take actions to protect against any infringement of copyright subsisting in the works created, while Plaintiff No. 2 is obligated to render assistance.

The Plaintiffs asserted two main rights regarding the artwork titled 'Humanity'. Firstly, they claim copyright of the artistic work under Section 2(c)(i) and Section 13(1)(a) of the Copyright Act, 1957. Secondly, Plaintiff No. 2 asserts moral rights over the work, as recognised in Section 57 of the Copyright Act, 1957.

Defendant-Acko General Insurance Limited is a subsidiary of Acko Technology and Services Private Limited, collectively referred to as the 'Acko Group'. Acko Group is an insurance technology start-up that develops and licenses technology products specifically for the insurance sector.

In the present suit, the Plaintiffs alleged that the said artwork was created in collaboration with the Mumbai Port Authority vide a Memorandum of Understanding dated 9th June 2022. The case of the Plaintiffs is that the Plaintiffs are the holders of the copyright in the said mural. As per the plaint, sometime in February 2023, the Defendant had published a hoarding as part of its advertisement campaign 'Welcome Change', set out below: -

According to the Plaintiffs, the Defendant has reproduced the entire mural for commercial benefit. On 14 February 2023 and 3 March 2023, the Plaintiffs issued a legal notice calling upon the Defendant to remove the said hoarding. Additionally, they called upon the Defendant to take down the related Instagram posts and other online media posts.

The Defendant vide letter dated 3rd April 2023 claimed that the Act of the Defendant is exempt from infringement in view of Section 52(i)(t) and 52(i)(u) of the Copyright Act, 1957.

After that, the Plaintiffs issued a letter dated 13th April 2023, wherein it is contended that the said mural, despite being in a public space, is temporary and not permanently situated. As per the Plaintiffs, Section 52(1)(t) of the Copyright Act, 1957 is limited to works such as paintings, drawings, engravings, or photographs of sculptures or other artistic works under a different subclause. The mural in question is a painting falling under a separate category, and thus, the provision under Section 52(1)(t) of the Copyright Act, 1957, does not apply.

The Plaintiffs submitted that the advertisement/hoarding and the Instagram page leave no doubt that the entire purpose was commercial in nature. It is further submitted that 'Welcome Change' is a tagline used by Defendant to promote its own business rather than a social impact movement or activity initiated by Defendant.

Defendant submitted that the notices issued by the Plaintiffs had led to a resolution of the dispute, after which Defendant did not expect any further litigation in this matter. They further submitted that the hoarding itself had been removed and they were willing to take down any related social media listings, including Instagram, Facebook, etc.

The Court directed that the Defendant shall take down the said listings within 72 hours. Specific URLs displaying the said mural on the Defendant’s posts, if any, may also be communicated to the Defendant by the Plaintiffs.

39. A Tale of Copyright Disputes in the Fantasy Sports Mobile App Arena

Case: HULM Entertainment Pvt vs Fantasy Sports MYFAB11 Pvt. Ltd. [FAO(OS) (COMM) 252/2023]

Forum: High Court of Delhi

Order Dated: November 10, 2023

Issue: Whether the decision that accorded and held features that differentiate Hulm's app is insufficient to surpass the idea-expression dichotomy threshold, which prevented Hulm from successfully claiming originality, would materialise or would the decision of DB completely change the view taken by Single Bench (SB) on October 17, 2023?

Order: HULM Entertainment Pvt. Ltd., the plaintiff (referred to as "Hulm" herein) in the suit had asserted its rights over the Fantasy Sports Mobile Application, Exchange22, and filed a suit against Fantasy Sports MYFAB11 Pvt Ltd., the defendant (referred to as "Fantasy-Sports" herein) claiming protection under the Copyright Act, 1957. It highlights the unique blend of fantasy sports and stock market features, seeking copyright protection for the game and the graphical user interface (GUI) for its application Exchange22. Hulm alleges that Fantasy-Sports not only copied the concept but also replicated the functionality, features, and execution of the buy/sell interface in their MYFAB11 app. Hulm contends it occupies a unique space in fantasy gaming leagues and is entitled to protection against unauthorised use by third parties, including Fantasy Sports. It was successful in obtaining an ex-parte injunction order, which was subsequently vacated, and thereafter, there is again a subsequent restoration of a previously modified interim injunction by Division bench(DB) in FAO(OS)(COMM) 252/2023, which was a preferred appeal by Plaintiff of order that vacated the injunction.

To safeguard rights over the application MYFAB11, Fantasy-Sports had in the main suit preferred and filed an application to vacate the ex-parte ad interim injunction, which was granted on April 13, 2022 and through which defendants were restrained from using plaintiff's copyrighted work by means/use of impugned application or computer programme MYFAB11 app or any other similar app and even downloads of such impugned app/software update or any unauthorised use was also retrained by the hon'ble court's order. This ex-parte ad interim injunction was modified on April 25, 2022, wherein direction with respect to para 36, 37 and 38 of order 13.04.2022 for Defendants no. 6, 4 and 5, respectively were suspended till the next date of hearing and read as thus:

"5. In view of the said stand of Mr. Sibal, Mr. Bhatia, learned counsel appearing on behalf of the Plaintiffs, on instructions, submits that the directions passed by this Court in order dated 13.04.2022 to Defendant No.6 in paragraph 36, to Defendant No.4 in paragraph 37 and to Defendant No.5 in paragraph 38, may be suspended till the next date of hearing. The said stand is, however, without prejudice to the rights and contentions of the Plaintiffs in the present suit and subject to its outcome.

6. Accordingly, directions issued to Defendant No.6, Defendant No.4 and Defendant No.5 in paragraphs 36, 37 and 38 respectively, of the order dated 13.04.2022 are suspended, till the next date of hearing."

The above order restricted Fantasy-Sports from using copyrighted materials but granted permission and allowed app downloads of MYFAB11. However, on October 17, 2023, the court had a completely reversed view than its opinion on earlier occasions.

The defendant argued that Hulm is accused of suppressing vital facts and misrepresenting information, leading to the ex-parte injunction order, which should be revoked on these grounds alone. That plaintiff allegedly concealed that the disputed 'buy/sell' feature is a minor aspect of their application, with the main feature resembling other existing Fantasy League Applications. Not only is the plaintiff claimed to have misled the court by not acknowledging the longstanding existence of the combined Fantasy League and Stock Market concept in the market, but it also failed to prove originality, which is a crucial element for claiming copyright infringement. The reason for such failure to prove originality was substantiated by contending similar features which were found in pre-existing applications before Exchange22. Hulm is accused of changing their position by suggesting differences in features, revealing a false claim to obtain the initial injunction. To put forward its clean approach, Fantasy-Sports, in response to a legal notice, made proactive changes to the "kharid/bech" feature, aiming to prevent conflict and distinguish the applications. Considering all these reasons cumulatively, along with emphasising the negative impact of the injunction on Fantasy Sports' reputation and significant financial losses, the defendant had contended a case for supporting arguments to vacate the injunction order.

The plaintiffs, on the other hand, tried to showcase the recognition and goodwill of its product in the market and emphasised it is recognised as a startup by Start Up India, claimed to be developers of the unique Fantasy Sports Mobile Application EXCHANGE22 and has gained popularity, and earned from platform fee to the tune of Rs.138,112,327/ in the year 2021-2022. Plaintiff No. 2 conceived the idea in 2010 and, after years of development, launched the beta version in August 2019. The Plaintiff No. 1 Company was incorporated on 16.09.2019, and the EXCHANGE22 mobile App was officially launched on 21.11.2019. The plaintiffs asserted the creation of a distinct Fantasy Sports Mobile App, EXCHANGE22, registered under the Copyright Act 1957. Their application, blending Fantasy Sports League and Stock Market Trading, enables users to trade players like shares. Emphasising a detailed concept note, an appealing GUI, and patent registration, they accused Defendant No.1 of copying features, especially the buy/sell interface, in the 'STOCKS' feature introduced in MYFAB11.

Contrarily, Defendant No.1, operating a real-money fantasy gaming business, contended that the plaintiffs concealed vital facts. They argued that the contested "kharid/bech" feature is minor, with the primary focus aligning with existing Fantasy League Applications. Defendants disclosing dissimilar domain names emphasised the Plaintiffs having wrongly sought the suspension of www.myfab11.com. They outlined their business history, which was initially started as a proprietorship firm and later incorporated as a Private Limited Company. Relief is being sought, and the claim by the Plaintiffs of being the 'first of its kind Fantasy League Gaming platform' is contradicted by the existence of prior apps with similar stock market features. This, prima facie, warrants vacating the ex parte injunction in favour of the Defendants.

The ex-parte injunction order, which was granted based on Hulm's claim of originality in the stock feature and substantial GUI copying, was challenged and contested by Fantasy Sports on merit and allegations of suppression and misrepresentation were posed on Hulm. The court observes a discrepancy in Hulm's assertion that the trading/stock feature is original and first of its kind, which, upon prima facie examination, appears factually incorrect. Furthermore, the court found no supporting material on record for this claim. On the opposite, Fantasy-Sports has submitted documents indicating that several third parties had launched apps with the stock/trading feature before Hulm. Hence court vacated the injunction order and, under Para 51 of Judgement dated October 17, 2023, stated, "*this Court is of the prima facie view that there is no copyright infringement by the Defendants and the ex parte injunction order dated 13.04.2022 as modified by order dated 25.04.2022 is thus vacated. Accordingly, I.A. 6308/2022 under Order XXXIX Rule 4 CPC filed by Defendant No.1 is allowed and I.A. 5896/2022 filed by the Plaintiffs under Order XXXIX Rules 1 and 2 CPC is dismissed*".

FAO was preferred by the plaintiff/appellant to the decision of October 17, 2023, which vacated the interim injunction, and it came before a division bench on November 10, 2023, to be decided.

In para 4 of the order, the reason for reinstating on April 25, 2022, can be traced as "that the assumption as forming part of paragraph 38 namely of certain fantasy game applications having commonality of features of trade of players having been launched prior to that of the plaintiff/appellants would prima facie appear to be contrary to the record and bearing in mind the material appearing at pages 637 and 645 of the digital record. Learned senior counsels have also drawn our attention to the commonality of features which were adopted by the respondent after the launch of the application of the appellant. The extent to which the two applications could be said to be completely identical and indistinguishable, a test which Mr. Mehta commends for our consideration, shall also warrant further examination."

For these reasons, the Hon'ble Division Bench opined that the appeal still raises issues which would merit further consideration, hence deemed appropriate to hold parties bound by the order dated April 25, 2022. Para 7 reads thus: "Although there shall be a stay of the impugned order dated 17 October 2023. The rights of parties shall, however, be governed by the order

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of 25 April 2022, which shall continue to hold the field till we hear the instant appeal again”.

Initially, on October 17, 2023, the single bench, upon meticulous examination of GUI screenshots, the Court could not even prima facie conclude substantial copying by the Defendants. While acknowledging a few similarities, which were deemed insignificant, the dissimilarities outweigh trivial resemblances. The screenshots also highlight similarities between the Plaintiffs’ application and third parties, indicating inherent commonalities in fantasy sports apps for cricket. Consequently, the Defendants were not deemed guilty of substantial copying and, therefore, not guilty of infringement. As a result, the Court granted the Defendants' application, vacating the ex parte injunction order, and simultaneously dismissed the Plaintiffs' application. This judgement of a single bench was challenged in a division bench FAO(OS) (COMM) 252/2023, which is still pending to be finally decided, although, in the meantime, the injunction is reinstated, which is currently governed by order 25 April 2022.

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40. Universal Victory with Dynamic Injunctions against Copyright Infringement by Rogue Websites

Case: Universal City Studios LLC. & Ors. vs Fztvseries.Mobi & Ors [CS(COMM) 833/2023, I.As. 23077/2023, 23078/2023 & 23079/2023]

Forum: High Court of Delhi

Order Dated: November 21, 2023

Issue: Whether the plaintiffs' copyrighted content was being unlawfully disseminated by rogue websites?

Order: The Plaintiffs in the present case are well-established Hollywood Studios engaged in the production and distribution of a large volume of original creative content, including cinematograph films, TV series, motion pictures, etc. (hereinafter 'content').

The plaintiffs filed the present case to curb the dissemination of pirated content and its availability on the internet; they have approached the Court seeking blocking and removal of their copyrighted content from the internet, accessed through rogue websites that are unlawfully disseminating and communicating a large quantum of copyrighted content of the Plaintiffs.

The Plaintiffs claimed that the content created, produced, and distributed by, or on behalf of the Plaintiffs' studios can be accessed and viewed on a variety of devices, including Televisions, Personal Computers, Laptops, Tablets, Mobile Phones, etc. The said gadgets also permit authorised streaming and downloading of this content. The Plaintiffs' studios own Copyright in the entire content, which is protectable as cinematograph films, and also own rights in various underlying works – which are recognised under the Copyright Act, 1957 (hereinafter, 'the Act'). The Plaintiffs also claimed to have devoted enormous resources in the creation, production, and distribution of the content, as well as communication of the content so developed to the public. It is also stated that considerable effort

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and resources are used even for marketing and advertising the content developed by the Plaintiffs.

The Plaintiffs filed this case against various websites that permit the viewing, streaming, accessing, and downloading of such content without any license or authorisation from the Plaintiffs. The various websites that are pleaded as Defendant Nos. 1 to 45 have different avatars but continue to make available the unauthorised content of the Plaintiffs and other copyright holders.

The plaintiffs submitted the following:

i) No details are available as to the persons or entities who have registered the domain names, and the websites have subscribed to features like privacy protection to hide/mask their identity.

ii) There is no clarity from a perusal of the websites as to who the person or entity is making available the content that is being hosted, streamed, or viewed on these websites.

iii) There are no contact details and addresses available on most occasions, except e-mail addresses. Some of the websites are also providing advertising for services such as Virtual Private Networks (VPNs) and, thus, appear to be generating revenue for themselves.

iv) These rogue websites also provide different quality and format options for downloading the copyrighted content of the plaintiffs, including high definition (HD option).

v) The content hosted or linked on the said websites is also downloadable on mobile phones.

vi) The websites also have utilized content from OTT platforms and various regional and foreign language cinematograph films.

vii) It also appears that the websites encourage users to join platforms which support the sharing of voluminous content, such as Telegram, etc., in order to be able to communicate and transmit unauthorised content.

viii) The FZ series of domain names like fzmovies.net and fztvseries.mobi, fzstudios. The app is making available pirated content on a real-time basis, and the said domain names and

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website operators are also using other domain names such as Mobiletvshows.net.

The plaintiffs also presented screenshots of the websites streaming the unauthorised content. The Plaintiffs submitted that the Plaintiffs had issued legal notices to all the Defendant's websites. However, only a few of them reverted to the notices.

The Court observed that it is clear from a perusal of the screenshots that have been placed on record that the rogue websites have a way of surfacing every time when notices are issued or blocking orders are issued. This Court has evolved jurisprudence on protecting copyrighted content from time to time. One of the first decisions which took stringent measures against such websites was the decision authored by Justice Manmohan in UTV Software Communication Ltd. and Ors v. 1337x.to and Ors, (2019) 78 PTC 375 (Del). In the said decision, the Court took note of the dynamic nature in which duplication of websites can happen, especially because mirror websites can spring up within a matter of a few minutes.

The Plaintiffs submitted that after the passing of the order of dynamic+ injunction in Universal City Studios LLC, & Ors. (supra), several such rogue websites are being blocked on an international level and not just within the territory of India, which is, therefore, having a positive impact on curbing piracy on the internet.

After considering all the submissions by the plaintiffs, the Court is convinced that a dynamic+ injunction was granted in Universal City Studios LLC. & Ors. (supra) deserves to be granted, failing which, the pirated content will continue to be viewed, replicated and communicated to the public, causing immense loss to the economic and moral rights of the Plaintiffs. In the said process, various illegalities which are being committed would also be encouraged if no injunction is granted.

The court noted that the Plaintiffs have established a prima facie case for grant of an injunction. Balance of convenience is also in favour of the Plaintiffs in view of the unauthorised and illegal use of Copyrighted contents by such rogue websites leading to significant monetary losses to the Plaintiffs. Irreparable harm and injury are likely to be caused if the injunction as sought is not granted.

Hence, the court restrained Defendant Nos. 1 to 45, which are all rogue websites, from streaming, reproducing, distributing, making available to the public and/or communicating to the public, in any manner, any copyrighted content of the Plaintiffs including future works of the Plaintiffs.

The court further held that insofar as Defendant Nos. 46-54 are concerned the said ISPs shall give effect to this injunction by blocking the said websites. Defendants No. 55 and 56 - Department of Telecommunications (DOT) and Ministry of Electronics and Information Technology (MeitY), respectively, shall issue blocking orders against the websites within a period of one week from the release of the order.

The court also directed the Domain Name Registrars (DNRs) of the rogue websites' domain names, upon being intimated by the Plaintiffs, to lock and suspend the said domain names. In addition, any details relating to the registrants of the said domain names, including KYC, credit card, mobile number, etc., will also be provided to the Plaintiffs. The case will be listed on 21 March 2024.

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41. Legal Battle at the Crossroads of Copyright Infringement and Trade Secrets

Case: Henry Harvin India Education LLP vs Abhishek Sharma & Ors. [O.M.P.(I) (COMM.) 374/2023]

Forum: High Court of Delhi

Order Dated: December 11, 2023

Issue: Whether the courses offered by Learning Saint Pvt. Ltd. infringed upon the petitioner's copyright in the content curated for their programs?

Order: This case was filed by the Petitioner M/s Henry Harvin India Education LLP under Section 9 of the Arbitration and Conciliation Act, 1996, seeking to restrain the Respondents, their former employees, who have now founded a rival business company, from disclosing confidential information and soliciting Petitioner's clients.

The Petitioner is an education-technology firm offering online and offline professional certification diploma/ degree programmes, with offices across eleven cities in India, the United States of America ["USA"], and the United Arab Emirates. During their business, Petitioner has developed a comprehensive database containing confidential information pertaining to clients across the world, as well as curriculum modules for various courses and training programs they offer. This database created by the Petitioner is a trade secret over which the Petitioner also asserts rights under Section 2(c) and (o) of the Copyright Act, 1957.

The Respondents were employed by Petitioner for different roles, and their engagement was governed by the terms and conditions outlined in their respective Employment Agreements. Petitioner expended significant resources towards training the Respondents, during which period they were exposed to confidential data of the Petitioner, including their customer database, accounts, course material and modules, etc. Pertinently, this information is stored on the computer systems maintained by the Petitioner.

The Petitioner submitted that Respondents No. 2 to 9, during their engagement with the Petitioner, were assisting Respondent No. 1 in establishing a competitive business entity under the name of Learning Saint Pvt. Ltd. In September-October 2023, all the Respondents left the employment of Petitioner without any notice and joined Learning Saint Pvt. Ltd.

When the Petitioner confronted respondent no. 1, he apologized for his mistake and also executed a Memorandum of Understanding on 05 September 2023["MoU"], whereunder he agreed not to violate any terms of his Employment Agreement. However, he ceased to attend to his duties at Petitioner-firm and continued to develop his own business. Respondent No. 1 has been encouraging Petitioner's existing employees and clients to leave their firm and instead join Learning Saint Pvt. Ltd. He has, thus, been openly contravening the terms of the MoU and the Employment Agreement.

The Petitioner submitted that the courses offered by Respondent No. 1 infringe the Petitioner's copyright in the content curated by them for their programmes. While Petitioner has been unable to access all of Respondent No. 1's courses, on the basis of information available on their website, it appears that they are verbatim the same as Petitioner's modules. Thus, an injunctive relief should be granted in Petitioner's favour, restraining the Respondents from continuous breach of their Employment Agreements.

The Court noted that after leaving the employment of the Petitioner, Respondent No. 1 has, prima facie, started operating in the same field through Learning Saint Pvt. Ltd. and has been actively targeting Petitioner's clients. The allegation is that Respondent No. 1 is persuading these clients to redirect their payments to Learning Saint Pvt. Ltd.'s bank account under false pretence of an affiliation between the Petitioner and Learning Saint Pvt. Ltd. Supporting this claim is a crucial piece of evidence – an e-mail communication addressed to a customer of the Petitioner.

The Petitioner brought Clause 7.3 of the Employment Agreement to the Court's attention. Which explicitly prohibits the disclosure of confidential information, including course materials and lists of existing or potential clients. To substantiate the claim of imitation, Petitioner presented a detailed comparison of five courses offered by the Petitioner.

The Court noted that there are significant similarities in the structure of these modules. Additionally, the Petitioner provided evidence demonstrating the marked difference in the training structure for ERP SAP PP (Production Planning) Training Course Content and Syllabus of a third-party business operating in the same field. This contrast further accentuates the alleged similarities between the Petitioner's and Learning Saint Pvt. Ltd.'s courses and raises questions about the originality and confidentiality of the content offered by Learning Saint Pvt. Ltd.

Thus, the Court granted an interim relief prohibiting Respondent No. 1 from using any confidential information or course materials allegedly obtained during his employment with the Petitioner and from contacting the Petitioner's clients for competitive purposes.

The Court also barred respondent No. 1 from contacting, soliciting, or engaging with any existing Petitioner clients who are currently enrolled in a course and have pending balance payments. This restriction specifically applies to courses that are similar to or identical to the courses offered by the Petitioner.

42. The Quandary of Copyright Infringement of Software Programs

Case: Bentley Systems Inc & Anr vs Engineers Diagnostic Centre Pvt. Ltd. [CS(COMM) 894/2023, I.As. 25388/2023, 25389/2023 & 25390/2023]

Forum: High Court of Delhi

Order Dated: December 18, 2023

Issue: Whether the unauthorised use of the plaintiff's software programs, namely, PLAXIS 2D and PLAXIS 3D and their various versions by the defendants constitute copyright infringement?

Order: This suit for copyright infringement was filed by the Plaintiffs seeking an injunction against the unauthorised use of its software programs, namely, PLAXIS 2D and PLAXIS 3D and their various versions.

The suit was instituted by Plaintiff No. 1 - Bentley Systems Inc. and Plaintiff No.2 - Bentley Systems India Private Limited, which is a subsidiary company of Plaintiff No.1, seeking protection of its rights in the said software programs. Plaintiff No. 1 is stated to be a global provider of infrastructure software solutions to engineers, architects, geospatial professionals, constructors, and owner-operators for the design, construction, and operations of infrastructure. The PLAXIS software programs are stated to have been created in 2022 in the U.S., and owing to Section 40 of the Copyright Act, 1957, and the International Copyright Order, 1999, the said software programs are automatically entitled to copyright due to reciprocal protection in terms of Berne Convention, Universal Copyright Conventions, and the World Trade Organization Agreement.

The Plaintiffs' case is that the said software programs are one of the most sought-after structural engineering software in respect of Computer Aided Engineering (CAE) software, which is used for the purposes of performing analysis of soils, rocks, and associated structures and models the same in full 2-dimensional (Plaxis 2D) or 3 dimensional (Plaxis 3D) structures.

The Defendants in the suit are Defendant No.1 - M/s Engineers Diagnostic Centre Private Limited, Defendant No.2 - Geo Structurals Private Limited and Defendant No.3 - Mr. Anil Joseph. The allegation against Defendant is that the Defendants are using unauthorized copies of Plaintiff's software programs, which was verified by the Plaintiffs through `phone home' technology, which is built into the Plaintiffs' software programs and further verifies whether the software is being used in accordance with the terms of the End User License Agreement (hereinafter, 'EULA'). The report regarding such assessment made by `phone home' technology reveals that there are a total of 36 pirated versions being used by the Defendants.

It was submitted that Defendant No.1 has no license regarding any of the Plaintiffs' software programs, while Defendant No.2 has two licenses of the Plaintiffs' STAAD. The pro software program includes an annual subscription license and one perpetual license. However, Defendant No.2 does not have any license for the subject software programs.

The Plaintiffs learnt of the unauthorized use of the Plaintiff's PLAXIS software programs by the Defendants in March 2023. Initially, a legal notice was sent on 28th March 2023. However, despite the Defendants reaching out, no amicable resolution came about. A pre-litigation mediation before the Delhi High Court Mediation and Conciliation Centre was also attempted but did not reach any fruition as the parties could not arrive at mutually amicable settlement terms.

As per the Plaintiffs, the recent enquiry through the `phone home' technology reveals that the infringing activity is continuing, and the details of the pirated versions being used are as follows:

Machine Sl. No.	MAC Addresses	User Names	User Email Addresses	Email Domain list	Latest Pirate Event Date	Product List	Number of Pirate Events
1.	309c23bfc445	EDC01	edc01@geo.com	geo.com	7/2/2023	Plaxis 2d, plaxis 3d	26
2.	6c2b5932f288	edc09	edc09@geo.com	geo.com	29/11/2022	plaxis 2d	10

Further, it was also averred that the Defendants might be using Virtual Private Networks (VPNs) on their computer systems to access the internet, which makes it difficult for the "phone-home" tool to capture the actual IP addresses.

The Court noted that the Defendants, having not made any attempt to resolve the dispute, the Plaintiffs have made out a prima facie case for grant of an ad interim injunction. Balance of convenience is also in favour of the Plaintiffs, and Plaintiff will suffer huge damage if the Defendants continue the unlicensed/unauthorised usage of the Plaintiffs' software programs.

Accordingly, the Court restrained the Defendants and any others acting for or on their behalf from using any unlicensed software programs being PLAXIS 2D and PLAXIS 3D or in any manner copying, reproducing, storing, or installing any pirated or unlicensed software programs in their premises. The case will be listed on 9th May 2024.

43. The Salty Dismissal of Copyright Appeal as Being Time-Barred

Case: M/S Dandi Salt Pvt. Limited vs M/S Indo Brine Industries Limited [C. RULE 1/2023 & REVIEW PET. 39/2023]

Forum: High Court of Delhi

Order Dated: December 18, 2023

Issue: Whether the dismissal of the appeal by the Copyright Board on the grounds of being time-barred was justified?

Order: This review petition was filed by the Petitioner- M/s Dandi Salt Pvt. Ltd., seeking a review of the order dated 31 March 2011 passed by the Copyright Board, which dismissed the appeal against the order dated 26 March 2010 as being time-barred.

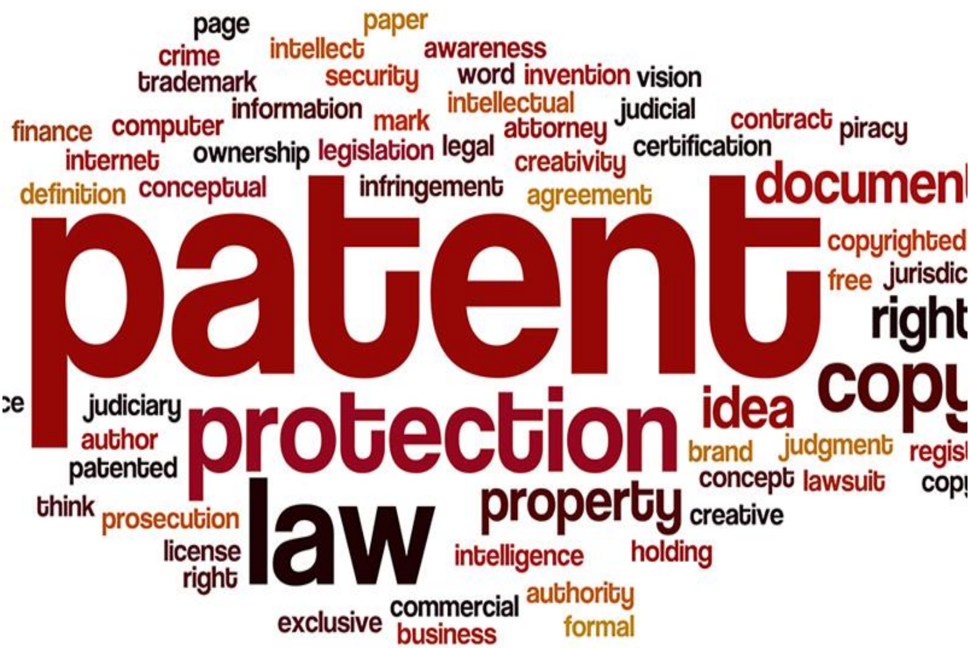
The background of the case was that Respondent No. 1 had sought registration of copyright for the artistic work bearing no.8880/08-CO-A on 12 November 2008. The Petitioner had filed objections to the said application. The objections were rejected by the copyright office on 26 March 2010, which is the order under challenge in this appeal.

The Appellant was stated to have been served with the order dated 26 March 2010 in the first week of April 2010, but the matter was listed before the Board on 6 September 2010. According to the Petitioner/Appellant, the delay was to the tune of two months. As per the Petitioner, the extension of two months was sought for filing of the appeal; hence, the dismissal is not tenable.

The case of the Petitioner is that the Respondent is not the owner of the artwork 'INDOBRINE DANDI SALT/DANDI NAMAK' and that the same was copied from the Appellant's artwork. According to the Appellant, the Respondent was a job worker who was packing the salt of the Appellant under the instructions of the Appellant. This fact claimed to have been admitted in a criminal case bearing no. 287/2004. According to the Appellant, this fact could not be brought to the notice of the copyright office, leading to the rejection of the copyright application. The Petitioner submitted that there has also been a settlement between the parties.

In view thereof, the Court opined that the facts be placed before the copyright office afresh once more. The impugned orders were, accordingly, set aside. The application and objections were remanded for fresh consideration by the copyright office. The Court also directed the Registry to supply a copy of the present order to the office of the Controller General of Patents, Designs & Trademarks of India at llc-ipo@gov.in for compliance with this order.

PATENTS



1. Patent Office Cannot Raise New Objections Without Notice at the Hearing

Case: PerkinElmer Health Sciences vs Controller of Patents [C.A.(COMM.IPD-PAT) 311/2022]

Forum: High Court of Delhi

Judgment Dated: January 04, 2023

Issue: Whether during the course of the Hearing an examiner can raise further or additional objections, whether without giving any prior notice for a Hearing on an objection, the controller can refuse the grant of patents, and

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whether it’s mandatory for the controller to give prior notice for the objections raised for Hearing?

Judgment: The Appellant (PerkinElmer Health Sciences) filed an appeal seeking, inter alia, an order to set aside the decision dated February 8, 2019 (hereinafter 'impugned order') of the Respondent (Controller of Patents). The impugned order refused the application for the grant of a patent under Section 15 of the Patents Act, 1970 (hereinafter 'the Act') on the ground that the claimed subject matter of the application is non-patentable under Section 3(f) of the Act.

The Appellant stated that the present application was subjected to a Hearing, and later, during the time of the Hearing, the examiner raised additional objections on the grounds provided under Section 3(f) of the Act without any prior notice. The appellants raised contentions on the same as the same was not only against the basic tenets of the principle of natural justice but also against the circular released by the Indian Patent Office on 21st September 2011 named “Examination of Patent Applications and Consideration of Report of Examiner by Controller”.

Under the said circular, clause l (i) provides that during the time of the Hearing, the examiner may stay present; however, such examiner shall not communicate with the applicant directly, *nor shall the examiner raise any additional or further grounds for refusal*. In the current case, the rejection of the application was based on the collective grounds of Section 15 and Section 3(f) and for the grounds raised under Section 3(f), any prior notice or intimation was not even provided, which is totally in breach of the said circular.

Apart from that, it does not even stand true to the basic principle of natural justice that is Audi Alteram Partem, which simply implies that the other party needs to be given an opportunity to be heard and a reasonable time shall be given to that party to prepare a defence for himself.

In light of the aforesaid arguments from the Appellants and the arguments presented by the Respondents, the Hon’ble Court stated that if, upon Examination of the response submitted by the Applicant, the Examiner reports that some objections are still outstanding or raises further objection(s), such objections shall be communicated along with the notice of Hearing, giving reasonable time to the Applicant. It is clarified that there is no need to send a second examination report.

Further, the Hon'ble Court stated that no further objections could be raised at the hearing. Thus, the Controller/ Examiner is not permitted to raise new grounds of objection at the time of the Hearing. The Hon'ble Court, in the present case, referred to all the grounds and, without going into the merits of the case, set aside the impugned order, stating it to be vitiating the principles of natural justice and the norms provided in the circular and remanded back to the respondent for fresh consideration. The respondent was directed to issue a fresh notice of Hearing, raising all objections.

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2. Delhi High Court Expands the Scope of Patent Claim Amendments

Case: Allergan Inc. vs. The Controller of Patents [C.A.(COMM.IPD-PAT) 22/2021]

Forum: High Court of Delhi

Order Dated: January 20, 2023

Issue: Scope of claim amendments as permissible under Section 59(1) of the Patents Act.

Order: The judgment is peculiar in that it sets a precedent for the purposive interpretation of different provisions of the Patents Act. In its judgement, the Court has identified that the plain reading of Section 59(1), dichotomising the claims and the accompanying specifications, is completely against the ethos and philosophy of the Patents Act.

The Court heavily emphasised that a purposive interpretation of provisions is adopted for fostering inventiveness over-literal interpretation, which, in contrast, would discourage inventiveness and be counterproductive. The Court, by adopting the purposive interpretation, has held the claim amendments from "*a method for treating an ocular condition*" claim to "*an intracameral implant*" (product) as permissible, which as per literal interpretations of Section 59(1) were identified to be as non-permissible by the Controller.

The judgment has thus clearly expanded the scope of claim amendments that the applicants may under Section 59 of the Patents Act to deal with circumstances arising due to various reasons during the prosecution of a patent application in India.

3. Landmark Judgment on Section 3(i), Amendments, Synergy & Inventiveness Sub-Test

Case: Societe Des Produits Nestle SA vs Controller of Patents [CA (COMM.IPD-PAT) 22/2022]

Forum: High Court of Delhi

Judgment dated: February 03, 2023

Issue:

1. Whether the claims define a method for "treatment of the human body"?
2. Whether the High Court can direct the applicant for amendment during the appeal?
3. Whether the amendment of "composition for use in the prophylaxis" to "composition" was valid u/s 59?
4. Whether the composition had a "sufficient" synergistic effect?
5. Whether the composition lacked inventive step?

Order: The applicant filed a patent application bearing the title "Composition for use in the Prophylaxis of Allergic Disease" in 2018. The composition comprised an ω-6 fatty acid DGLA for use in prophylaxis of allergic disease in an offspring of a mammalian subject, comprising administration of the composition to said subject pre-pregnancy and/or during pregnancy and/or during lactation. Also, the composition comprised certain ω-3 fatty acids, which could either be DHA or EPA or even a combination of DHA and EPA. Thus, **the applicant's invention was a composition comprising DGLA, DHA and/or EPA**. It was further disclosed that the administration of this composition yields technical advancement or effect of reduction of allergies in the offspring of a mammalian subject (including humans). Data on technical/synergistic effects was illustrated through examples and figures. The total claims as originally filed were fourteen (Claim Set 1).

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The First Examination Report (FER) raised, *inter alia*, the substantive objection of non-patentability u/s 3(i) of the Act, which bars a 'method of treatment' from patentability. In response to FER, the applicant amended the claims and limited them to five (Claim Set 2). Still, the Controller retained Section 3(i) objection in the hearing notice. Post-hearing, the applicant filed the written submission along with further amendments having only three claims (Claim Set 3). The Controller held that amended claims were not permissible u/s 59 and rejected the patent application on the ground of non-patentability u/s 3(i) and lack of inventive step and synergy.

The applicant assailed the Controller's refusal order by filing an appeal where the High Court examined each of the contention placed before it, and the following **five issues** were addressed:

1. First-ever judicial scrutiny of "method for treatment" exclusion clause

The non-patentability objection u/s 3(i) was pivotal in the whole case and it was dealt with first by the Court. The Controller's objection was that the claims of patent application were directed towards a "method for treatment of the human body". To overcome the objections of the patent office, in Claim Set 3 the appellant removed the phrase "for use in prophylaxis of allergic disease in an offspring of a mammalian subject, comprising administration of the composition to said subject pre-pregnancy and/or during pregnancy and/or during lactation" and retained 'composition' only. The appellant argued that amended claims were towards a 'composition' and not towards a 'method of treatment' and covered by a claim as originally filed. Therefore, the appellant submitted that the finding of the IPO that claims relate to a 'method of treatment' was wholly erroneous. The Respondent reiterated that claims defined medicinal use in terms of the method of treatment/ prophylaxis, which is barred u/s 3(i).

The Court assessed the applicability of Section 3(i) to the subject invention. In the context of the instant case, the Court read the text of the said provision as follows:

"(i) ***any process for the*** *medicinal, surgical, curative,* ***prophylactic****, diagnostic, therapeutic or other* ***treatment of human beings*** *or any process for a similar treatment of animals* ***to render them free of disease or to increase their economic value*** *or that of their products"*

Thus, it was held that any claim directed towards a process for the prophylaxis or prophylactic treatment of human beings to render them free of disease is not patentable as per the Act.

Claim construction is the process in which courts interpret the meaning and scope of an invention's claims. Construing the claims is a critical step in determining the outcome of patent disputes. In the present case, the Court construed that the subject claims were directed towards a composition, comprising DGLA, EPA and DHA, which had been developed for the purpose of using the same in the prophylactic treatment of allergic diseases. It would mean that the said composition was useful in preventing or reducing the risk of the development of allergies. The Court clarified that the **expression** *"composition comprising DGLA directed towards treatment"* **was used only for defining the composition** and not directed towards a method of treatment. The Court held that **all three claim sets were in respect of the composition and not directed towards a method of treatment**.

2. Amendment of Claims due to wrong application of law by the IPO

The Controller rejected the claims on account of expanding the scope of the claims. The appellant amended claims from "*a composition comprising DGLA for use in prophylaxis of allergic disease"* (Set 1 or 2*)* to *"a composition comprising DGLA"* (Set 3). It can be noted, previous claims contained both "composition" and "method features" and amended claims contained only "composition". In Controller's wisdom, and rightly so, while amending claims, original scope of claims stood enlarged – a purpose-related product claim became a general claim over the composition.

However, the Court found that the amendments were made by the appellant only on account of an objection raised by the Patent Office u/s 3(i) to delete features related to "method of treatment". As already discussed above, the **3(i) objection** was held **untenable** by the Court for all the claim sets

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(1/2/3) **in the first place.** Thus, the erroneous application of 3(i) on the part of IPO led to an undesirable amendment on part of the Appellant. **Once the eclipse of 3(i) was removed by the Court, the appellant was granted liberty to pursue the previously filed claims in appellate proceedings**. Accordingly, the appellant filed the final amended claims (set 4) before the Court and resorted back to the previously filed claims (purpose-limited composition). The High Court allowed the final amendments (Set 4), which were now fully covered u/s 59.

3. Question of Law – Can the High Court direct for Amendment?

When the High Court directed the appellant to file a final set of claims to be considered before it, the Respondent IPO **strongly objected** that there was no provision in the Act that permits High Court to allow any amendment. The Court addressed the issue – of whether an amendment can be allowed at the stage of appeal or not.

Section 57(3) shows that an amendment application can be made even after the grant of the patent. Section 58(1) shows that an amendment to the specification can be allowed in the proceedings before the High Court at the stage of revocation of a patent. Thus, there is no specific bar in the Act for amendment at the appellate stage so long as amended claims are not inconsistent with the earlier claims as originally filed.

The Court held that it is a settled position of law that an appeal is a continuation of the proceedings of the original court. The appellate jurisdiction involves a re-hearing on the law as well as on facts. Thus, **the High Court**, **sitting in appeal** and considering the issue of grant of the patent, **should necessarily have the same powers as given to the Controller u/s 15**, which includes the power to require amendment.

4. Synergy – What and How much data is sufficient?

As the subject invention was a composition of three ingredients (DGLA, EPA and DHA), the synergistic effect u/s 3(e) was required to be demonstrated – an interaction between two or more drugs that causes the total effect of the drugs to be greater than the sum of the individual effects of each drug. The Controller submitted that sufficient data was not supplied to show synergism as the application lacks data on the individual effects of each component (when each component is used alone). It was objected that data on one important parameter (IL4) showed the result effect of DGLA alone but lacked the result of effect of DHA alone and EPA alone.

The Court observed that said data provided a comparison between IL4 values of the control group, DGLA alone, fatty acid mix of DHA and EPA and the claimed composition. The reduction of IL4 held a synergistic effect of the claimed composition. The synergistic case of the appellant was also duly supported by data from five other parameters. The Court reaffirmed that it was not necessary to disclose all conceivable ways of operating the invention. If the best method known to the patentee is disclosed, it is sufficient.

5. Exemplary Inventive Step Analysis

The Controller held that prior art (D1 & D2) evidence rendered the invention obvious. The Court carried out a step-by-step inventive step analysis as per the test laid down in ***Roche v Cipla*** *2016 (65) PTC 1 (Del)*. D1 was considered the closest prior art, but it was completely silent on ω-3 fatty acids (DHA & EPA), whereas the subject composition was a mixture of DGLA (ω-6 fatty acid) and DHA & EPA (both ω-3 fatty acids). As D2 was aimed at an entirely different purpose, i.e., for combating dyslexia or inadequate night vision, not to prophylaxis allergies, D2 was teaching away, and there would be no benefit if D2 was combined with D1. The Court held that if these differences between the prior art and subject invention were "obvious to try", then the same would have been attempted by now, especially considering old-aged prior art (both almost 20 years old).

In addition to the main technical test, the Court also applied the non-technical secondary test in the obviousness analysis. It was held that the age of prior art is a relevant consideration for determining if the subject matter of patent application would be obvious to a skilled person. The Court emphasized that the subject application was showing technical advancement over the considerably old prior art which was a clear indicator of non-obviousness.

On examining all grounds as discussed above, the Court allowed the appeal and the application proceeded for the grant.

With respect to Section 3(i), scant rulings of erstwhile quasi-judicial IPAB and only tangential judicial remarks were available. Section 3(i) is also multi-pronged (medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment). The *Nestle* verdict thoroughly shed light on one aspect of this provision viz., prophylactic treatment. The finding is vital – the use of expression the 'treatment' in the claims may not render a claim falling u/s 3(i). In the Indian landscape, Section 3(i) is perceived as one of the major hurdles for patentability and interpretation provided, in this case, could have a bearing on a large number of pharmaceutical and biotechnological applications.

In an appeal challenging the refusal of grant of a patent, questions of facts need to be re-examined comprehensively, and therefore, a liberal view must be taken with respect to the amendment of claims. The amendment of purpose-limited product claims to general product claims would clearly be in the teeth of Section 59. However, the amendments falling outside the scope of Section 59, due to the wrong application of non-patentability, can be remedied by the High Court at the appellate stage.

The *Nestle* pronouncement is not only a pro-patentability decision but also a model guidance for IPO. Patent Office should update its procedure, guidelines, and manual to incorporate relevant ratios of this judgement, particularly the liberal stand on 'method of treatment' exclusion and excellent textbook application of the *Roche* inventive test and time-factor secondary test. It would curb variation in IPO practice.

4. No Appeal Against the Opposition Board Report till the Controller Finalises a Decision

Case: Willowood Chemicals Private Limited vs Assistant Controller of Patents [W.P.(C)-IPD 15/2023 & CM No. 34-35/2023]

Forum: High Court of Delhi

Judgment Dated: March 17, 2023

Issue**:** Whether the Applicant can challenge the Report/recommendations of the Opposition Board by invoking Article 226/227 of the Constitution of India.

Judgment**:** Willowood Chemicals Private Limited filed a patent application titled "Synergistic Fungicidal Composition" in the Indian Patent Office on December 31, 2013. Haryana Pesticides Manufacturers' Association filed a pre-grant opposition on January 11, 2019, which was later dismissed. The Controller upheld the validity of the application, and the patent was granted on July 20, 2020. However, Safex Chemicals India Ltd. filed a post-grant opposition on August 28, 2020, under several sections of the Indian Patent Act. The parties involved submitted their written statements, evidence, and necessary documents to the Indian Patent Office, and the Opposition Board issued their recommendation in a report dated November 29, 2022. Dissatisfied with the Opposition Board's report, the petitioner filed a writ petition before the Hon'ble High Court of Delhi, challenging the report and the additional evidence submitted by the Opponent.

The petitioner argued that the Opposition Board made an unjustified departure from the Controller's decision, as most of the documents cited by Respondent No. 2 had already been considered in the pre-grant opposition. The Opposition Board's conclusion that the subject patent lacks novelty based on prior art documents was deemed a fundamental error. The petitioner also claimed that the expert affidavit was disregarded, and the Opposition Board exceeded the time limit for submitting their report. Additionally, the petitioner objected to Respondent No. 2 submitting additional evidence after the hearing date, which was considered impermissible. Due to concerns that the Deputy Controller of Patents might be influenced by the flawed findings of the Opposition Board, the petitioner sought to invalidate the report and establish a new Opposition Board.

The Respondent opposed the petition by asserting the availability of a suitable remedy against the Controller's final decision. They argued that the Opposition Board's recommendations should not be considered at this stage as they only make suggestions and challenges. Furthermore, since the petitioner's grounds address the merits of the Opposition Board's decision, the Respondent claimed that the Court cannot act as an appellate authority. They suggested that the petitioner can present their grievances to the Controller during the hearing or when the disputed report is being considered.

The Court emphasised the relevance of the Opposition Board's recommendations in the decision-making process, as stated in the Cipla Ltd. v. Union of India case. It was stated that the Controller has the authority to independently evaluate and determine whether to uphold, modify, or revoke the patent. The Court clarified that there is no provision for appealing the Opposition Board's recommendations or challenging them under Article 226/227 of the Constitution. The Controller was yet to make a final decision on the opposition, allowing the petitioner the opportunity to present arguments regarding the patent's validity during the hearing. The Court directed the Controller to make an independent decision after hearing all stakeholders, as per Section 25(4) of the Patents Act.

The Court clarified that the Patentee cannot appeal or challenge the validity of the Board's report/recommendations. However, the Controller's final order in a Post Grant Opposition proceeding can be appealed under Section 117A (2) of the Patents Act. The judgment also emphasises that the Controller must independently evaluate the Opposition Board's report and decide whether to maintain, modify, or revoke the patent.

5. Delhi High Court's Landmark Ruling Upholds SEP Owners' Rights and Provides Clear Guidance on Licensing

Case: Telefonaktiebolaget LM Ericsson vs M/s Intex Technologies Ltd [I.A. No. 6735/2014 in CS(OS) No.1045/ 2014]

Forum: Delhi High Court

Order Dated: March 29, 2023

Issues:

- Whether Ericsson had complied with its FRAND (Fair, Reasonable, and Non-Discriminatory) commitments.
- Whether Intex had demonstrated an unwillingness to execute a FRAND license.
- Whether the Ld. Single Judge's order dated 13th March 2015, commonly referred to as the 'impugned order,' in CS(OS) No.1045/2014 was valid.

Order: The cross-appeals were filed to challenge the Ld. Single Judge's order dated 13th March 2015, commonly referred to as the 'impugned order,' in CS(OS) No.1045/2014. Intex filed an appeal against the impugned order, where the Ld. Single Judge ruled that Intex had prima facie infringed Ericsson's patents, and Ericsson's eight patents were prima facie valid and essential.

The impugned order also found that Ericsson had complied with its FRAND commitments, while Intex had demonstrated an unwillingness to execute a FRAND license by prolonging pre-suit negotiations and initiating proceedings against Ericsson before the Competition Commission of India (CCI) and Intellectual Property Appellate Board (IPAB) during the licensing negotiations. Additionally, the Ld. Single Judge ruled that the end-device price's royalty calculation practice was non-discriminatory, and the chipset basis for calculating royalty could not be accepted.

Ericsson filed an appeal requesting that Intex be directed to pay the entire royalty amount instead of paying 50% royalty at the interim stage and the balance 50% through a bank guarantee, as ordered by the Ld. Single Judge in the impugned order dated 13th March 2015 and subsequent modification order dated 26th Mar 2015.

Court's Analysis and Findings on SEP Licensing/Litigation

1. The Importance of Standards in a Modern Economy

    - The Delhi High Court recognized the importance of standards in promoting innovation, increasing the quality and viability of products, providing jobs and growth, and supporting the global value chain.

    - Standard Development Organizations (SDOs) coordinate the development of standards, ensuring that the latest state-of-the-art technology is available to implementers worldwide and that patent owners are adequately rewarded at FRAND rates for their contribution/innovation.

2. Obligations of SEP Holders and Implementers

    - SEP holders are required to disclose relevant patents as being SEPs and make them available to all willing users. They should avoid "hold up" situations and offer licenses to all willing licensees on FRAND terms.

    - Implementers need to avoid "hold out" situations and cannot remain silent during negotiations. They must either accept the SEP holder's offer or give a counteroffer along with appropriate security to prove that they are willing licensees.

3. Recognition of SEPs in Indian Law

    - While SEPs are not specifically referenced in the Patents Act, 1970, various court decisions have recognized their importance.

- The Delhi High Court's Rules Governing Patent Suits 2022 have formally recognized Standard Essential Patents and the different legal tests involved in their adjudication.

4. Injunctive Relief Against Unwilling Licensee

    - SEP owners can seek interim and final injunctive relief against an "unwilling licensee" who engages in "hold out" behaviour.
    - There is no prohibition in Indian law against a SEP owner from seeking an injunction.

5. Test of Infringement in SEP Matters

    - The Court opined that the "indirect" test method is a better way of proving SEP infringement and essentiality.
    - The "indirect" method includes mapping the SEP to the standard and showing that the implementer's device also maps to the standard.

6. Injunction May Be Granted Even If Prima Facie Infringement Established

    - An injunction can be granted even if the infringement of one patent is established prima facie or at the final stage. Infringement of even one patent can bar the sale of the implementer's product.
    - SEP owners can sue implementers by showing that one or a handful of representative patents are infringed, and an evaluation of these patents can determine FRAND terms for the entire portfolio.

7. SEP Owners Can Offer a Portfolio License

    - The Court opined that global portfolio licenses are capable of being FRAND, and SEP owners can offer them instead of individual patent licenses or country-specific licenses.

8. Final Decision on Essentiality and Validity Not Required for Preliminary Injunction

    - The Court opined that the four-fold test in Nokia Vs. Oppo places an onerous burden on SEP owners at the interim stage and is contrary to Indian law and does not apply in normal patent suits.

    - An interim order, like a temporary injunction or conditional order of deposit, cannot be ascertained in SEP suits if such a high burden is applied.

9. Admission of Essentiality and Infringement if Alleged Abuse of Dominant Position

    - If an implementer alleges that a SEP owner is abusing its dominant position by holding SEPs, the perusal of a complaint before another forum is prima facie an admission that the patents are essential and infringed.

    - If the implementer believes that it is not infringing the SEP owner's patents, it should seek a declaration of non-infringement or groundless threat under Sections 105 and 106 of the Act.

10. Presumption of patent invalidity cannot be based solely on a pending revocation petition.

    - The Delhi High Court clarified that the mere filing of a revocation petition against a patent does not create a presumption of the patent's invalidity. To question the validity of a granted patent, a credible challenge must be raised, and it cannot be solely based on the ground that a revocation petition is pending.

    - The timing of the revocation petition is also crucial, as the delay in filing the petition while being on notice by the SEP owner for a long time shows the non-seriousness and

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inability to raise a credible challenge to the validity of the patent in question.

The Court's decision, in this case, was in favour of Ericsson, the owner of the Standard Essential Patents (SEPs), and against Intex, a company that was found to be an intentional unwilling licensee of Ericsson's SEPs. The Court found that Intex had failed to raise a credible challenge to the validity of the suit patents and that Ericsson's patents were essential and had been infringed. The royalty sought by Ericsson was found to be on FRAND (Fair, Reasonable, and Non-Discriminatory) terms. Additionally, the Court directed Intex to pay in full for the past use of the SEPs.

6. Communication Components Antenna Inc. Aces Patent Infringement Matter

Case: Ace Technologies Corp and Ors. vs Communication Components Antenna Inc. [FAO(OS) (COMM) 186 of 2019]

Forum: High Court of Delhi

Order Dated: April 10, 2023

Issue: Whether Communication Components Antenna Inc. was infringing the plaintiffs' patents related to wireless communication technology?

Order: The Plaintiff has filed an appeal challenging the judgment passed in the case CS (COMM) No. 1222/ 2018 dated July 12, 2019. In this case, the defendant had filed a suit against the plaintiff, seeking a decree of a permanent injunction for infringing their Patent No. IN'893. The plaintiff had claimed that the patent IN'893 was invalid, which was dismissed by the single-judge bench earlier. The plaintiff has filed an appeal in the High Court against the order of the single-judge bench.

During analysis, the Court observed that the patent IN'893 relates to a split-sector antenna emitting at least one asymmetrical beam in a specific configuration. The Court has provided a comprehensive analysis of the interlinking between the claims and the disclosure of the specification of the patent. Furthermore, the Court has also explained the evaluation criteria of Section 3(d) of the Patent Act with respect to the patent, among other observations. In view of Section 3(d) of the Patent Act, the Court noted that the objection under Section 3(d) of the Patents Act would be available against the attempt to patent a mere discovery, a new property or a new use. The Court in the subject case stated that, though the plaintiff uses a known antenna/split-sector antenna, the combination, at least one of the beams emanating from which is asymmetrical since the resultant beam has increased subscriber capacity, constitutes an enhancement of known efficacy of beams and Section 3(d) would not be attracted The Court had rejected the challenge that the patent IN'893 could not be granted by virtue of Section 3(d) of the Patents Act.

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Further, the Court also did not accept that the validity of the patent IN’893 could be challenged under Section 3(f) of the Patents Act as it was not a rearrangement but a change in the manner in which asymmetry was introduced in an antenna leading to greater efficiency. In view of the fact that the aforesaid invention enhances the known efficacy, the Court observed that the ground of revocation under Section 64(d) is not made out. Furthermore, the Court had also rejected the contention that the patent IN'893 was disclosed by prior art and was thus liable to be revoked under Sections 64(e) and 64(f) of the Patents Act. In this regard, the Court was of the view that the patent IN'893 was in broad terms.

The Court held that the method in which the invention is claimed does not specify the particulars of the antennae to be used and/or the beams to be generated, and the method described is vague. This would permit the patentee to claim infringement qua any method used for increasing the subscriber capacity as the same would involve the use of antennae/spilt-sector antennae emitting beams. Further, as regards the plaintiff's allegation of the present invention under Section(1)(a) and 64(1)(h), the Court has directed that for evaluating the Patentability under Section(1)(a) and 64(1)(h), not only the claims but also whole specification has to be seen. The embodiments also aid in understanding and interpreting the Claims. The court vacates the impugned order. The Court upheld the order passed by the single-judge bench and dismissed the appeal raised in light of the invalidity of patent IN’893.

7. All Grounds of Objection Must be Considered When Evaluating a Patent Application

Case: Adama Makhteshim Ltd vs The Controller of Patents [C.A.(COMM.IPD-PAT) 167/2022]

Forum: High Court of Delhi

Order Dated: May 1, 2023

Issue:

- Whether the appellant's patent application can be refused based on Section 10(4)(a) of the Patents Act, 1970?
- Whether the vagueness and conciseness of the appellant's invention application can be questioned?

Order: A patent application was filed by the appellant titled "5-FLUORO-4-IMINO-3- (ALKYL/SUBSTITUTED ALKYL)-1-(ARYLSULFONYL)-3, 4- DIHYDROPYRIMIDIN- 2(lii)- ONE AND PROCESSES FOR THEIR PREPARATION" which was refused under Section 10(4)(a) and 15 of the Patent Act, 1970.

It was argued by the appellant that the objection raised under Section 10(4)(a) was a jurisdictional error by the Assistant Controller of Patents and Designs and that the appellant was not given the opportunity to meet the requirements of the raised objection. Section 10(4)(a) of the Patents Act, 1970, states that the full description and specification of an invention must be disclosed along with the methods of its operation.

The Court considered that the alleged invention describes the process of the preparation. However, the submitted documents only disclosed the preparation of a compound using an alkylating agent and potassium carbonate or lithium carbonate. It was silent about using "alkali alkoxide", and no technical advancement or distinguishing element could be observed.

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The Assistant Controller had observed that the evidence submitted by the appellant was insufficient. There was an absence of examples with respect to the usage of "alkali alkoxide." Due to a lack of proper evidence, the appellant failed to meet the requirements, and thus, the invention was not patentable under section 10(4)(a).

The Delhi High Court held that a fresh notice of hearing, answering all the objections raised, should be issued to the appellant following the legal procedure. Further, it was observed by the Court that there is a limitation period for patent applications, and since the invention in question was filed in 2016, half the patent duration has elapsed. The Court stated that the current application had been rejected only on one ground, i.e., the ground of vagueness and conciseness of the invention.

Baes on the merit of the case, the operation of the invention in question was not adequately described, and its details were explained vaguely; therefore, it was considered non-patentable. However, the Court has emphasized another aspect in this case, which is that there are additional objections that have remained unanswered and cannot be disregarded; therefore, an order cannot be passed merely on one technical ground.

To answer the question of the patentability of the invention, the Court opted for a feasible approach and observed that a fresh notice answering all the objections should be filed. Even if the application is non-patentable based on technicalities, a comprehensive order addressing all objections should be passed.

8. Scope of Patent Claim Examined by Delhi High Court

Case: Sony Group Corporation vs Assistant Controller of Patents [C.A.(COMM.IPD-PAT) 480/2022]

Forum: High Court of Delhi

Order Dated: May 8, 2023

Issues:

- Whether the appellant's application can be rejected based on section 59(1) of the Patents Act, 1970?
- Whether "exceeding the scope of claim" is valid for rejecting the amendment claims?
- Whether the appellant's amendment claims correspond to the claims of the divisional application as well as the EP application of the instant application?

Order: An appeal under Section 117-A of the Patents Act 1970 was filed opposing the order passed by the Assistant Controller of Patents and Designs. On May 15, 2013, the appellant filed a subject application, which the Patent Office examined in November 2018, titled "Data Processing Device and Data Processing Method". The purpose of the subject invention was to enhance the processing of control data required for demodulation during digital video broadcasting.

On February 16, 2022, the appellant amended claims 1 to 8 of the application. Among these amendments, the independent claims 1 to 4 were modified to align with the independent claims 4 to 10 of a corresponding European patent divisional application, respectively. The European Patent Number EP3429084 was granted based on the divisional application. The amendments made by the appellant in the claims aimed to ensure consistency and alignment between the subject application claims and the claims in the corresponding EP divisional application.

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The respondent alleged that the amended claims exceeded the scope of amendment and differed from the instant application claims. The amendments were to change the feature "dummy data" to "zero padding bits" and "create a frame containing the post-shortening LDPC code data and multiplex the frame into a DVB-T2 signal for transmission.

Subsequently, the appellant proceeded with only the application corresponding to the EP divisional application. It was further submitted that the appellant has only limited the scope of the principal claim by proceeding with the said application. The respondents contended that the proposal of an amendment should only be approved if it adequately addresses the objections raised in the prior publication. Awareness about the objection stemming from the prior publication and delay in applying for the amendment is also a “ground for refusal.” Further, an amendment aimed to convert a “non-essential element” into an “essential element” is not allowable. In addition, the primary claim has resulted in a "limitation of the scope of the claim." The addition of a limitation acts as a "disclaimer." This recourse of disclaimer can be adopted to clarify the exact scope of the invention in cases where the validity of the patent is being challenged.

Based on the claims of both parties, the High Court of Delhi held that specifications support the amendment claims by the appellant and that they do not limit the scope of the application. The purpose is to enhance the scope of the patent and to make it more specific. The Court further observed that the appellant has the freedom to proceed with one invention that corresponds with the divisional application of the European patent. The main European and Divisional European patents correspond to the subject application.

Further, the Court elaborated on the fact that the current appeal only focuses on the aspect under Section 59 of the Act. However, other issues and objections have remained unaddressed and, therefore, will be taken up by the patent office. Based on this, the Delhi High Court set aside the impugned order based on the observation that the amendment made by the applicant did not expand the scope of the claim and only made it clearer.

9. Interpreting "Business Method Aspect" of Section 3(k) through the OpenTV Matter

Case: OpenTV Inc vs Controller of Patents and Designs and Anr [C.A. (COMM. IPD-PAT) 14/2021]

Forum: High Court of Delhi

Order Date: May 11, 2023

Issue: Interpretation of the business method aspect of Section 3(k) for determining the patentability of an invention.

Order: The subject patent application is stated to be a network architecture and a method implemented on the same to enable the exchange of interactive media content distribution of any type of digital or tangible media. During the prosecution of the application, the applicant had amended the claims at the time of hearing of the application, which were found to be in non-compliance with Section 59 in the refusal order.

During the appeal proceedings, the Hon'ble Court offered the appellant an opportunity to amend claims. Particularly, on April 22 2022, the appellant was asked if it intends to prosecute the claims as they stand or whether any further amendments thereto are to be made. Accordingly, the appellant filed an alternative set of claims, which the appellant wished to prosecute in the appeal. In these claims, the appellant basically reworded the method claims to system claims, seemingly in an attempt to circumvent the scope of a business method.

The respondent objected to this opportunity given to the appellant, arguing that there is no provision to amend the claims at the Appellate stage where the Controller refuses the application under Section 15 of the Act. However, he later conceded that as per the decision of a Coordinate Bench of this Court in ***Societe Des Produits Nestle Sa v. Controller of Patents and Designs, 2023/DHC/000774,*** amendments at the appellate stage, amendments can be permitted.

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The respondent further argued that the amended system claims 4 to 16 were newly added system claims which were never a part of the originally filed claims. Therefore, this amendment should not be allowed owing to the limitations imposed by Section 59 and the rationale that '*what is not claimed is disclaimed*.' The respondent also argued that changing the method claims to system claims would not affect the patentability analysis, as it is still a system to provide something as a gift and, therefore, still constitutes a business method. Thus, even the amended claims would continue to be hit by Section 3(k) of the Act.

After hearing both parties, the Hon'ble Court first addressed the question of whether the claim amendments can be permitted at the appellate stage at the applicant's instance. The Hon'ble Court that there is no embargo on permitting an applicant to amend claims even at the appellate stage.

The Court held that the system claim, which is now sought to be patented as claim 1, maybe within the overall scope of the specification but is not within the scope of the originally filed claims. Conversion of method claims into system claims in the manner sought would be broadening the claims, which is impermissible as per section 59 of the Act. The Court also observed that there may be some exceptional cases where such a conversion may be permissible depending on the nature of the invention and the scope of Claims.

The fundamental principle governing amendment of claims is that amendments are permissible as long as the amendments are within the scope of the originally filed claims. However, the amendment sought in this particular case intends to widen the scope of the originally filed claims. It is for this reason that the same cannot be allowed. Therefore, the claims as they stood originally were considered, and accordingly, further arguments were made on the claims that the Controller refused.

The appellant argued that only because there are financial gains that can be achieved through a particular patented invention can the invention not automatically be concluded to be a business method. The appellant relied upon the network architecture of the invention to establish that the novelty resides in the two-way communication channel between the headend system and the set-top-box, in contrast to the existing art where only one-way communication between the headend system and the user is possible. Hence, there is a clear technical advancement in the claims, and the mere use of the word "method" in Claim 1 should not completely deprive the applicant of obtaining a patent on a novel and inventive system.

The appellant further argued the effect of the invention would be monetary in most inventions, but that would not prohibit the grant of the patent under Section 3(k) of the Act as long as the technical effect can be shown. Thus, if the technical architecture is innovative and novel, it is liable to be granted a patent.

On the other hand, the respondent argued that a perusal of the claims itself would show that the subject patent is a business method as the focus of the claims is on the aspect of giving a media item as a gift. There is no ambiguity in claim 1 in the fact that it is meant to promote the user with a method to give the media item as a gift, which is nothing but a business method.

After hearing both parties, the Court held that a perusal of the patent specification would show that the purpose of the subject invention is to enable the giving of media as gifts. The bar in India to grant of business method patents must be read as an absolute bar without analysing issues relating to technical effect, implementation, technical advancement, or technical contribution. Thus, the only question that the Court or the Patent Office needs to consider while dealing with patent applications involving a business method is whether the patent application addresses a business or administrative problem and provides a solution for the same.

The Court held that though there is no doubt that there is a two-way communication, the purpose of the invention is primarily to enable the giving of media in tangible or intangible format to the recipient. Such a giving of a media, irrespective of whether it is worded as a method or as a system, would be nothing but a method for doing a particular business, i.e., to give a media as a gift.

The Court also referred to the status of the corresponding applications in other jurisdictions as provided in the latest **Form-3** and observed that the appellant has declared that it has abandoned the patent in several jurisdictions. It appears from the order that the Hon'ble Court took that as an indication that the invention is a business method and is not patentable, leading to the applicant abandoning the application in other jurisdictions. The reliance on Form 3 in this manner is arguable because the abandonment of an application by the applicant cannot be equated with the rejection of the application by the patent office. During the course of the prosecution of applications, the applicants sometimes prefer to abandon the application, owing to the ever-changing market dynamics and other similar factors. Moreover, the application is granted in some jurisdictions, which could contradict this reasoning altogether.

Finally, the Court held that the subject invention is directed purely towards a method of giving media as a gift, which is nothing but a method of selling media for gift purposes and is, hence, a business method. The subject invention is attracted by the exclusion from patentability under Section 3(k) of the Act.

Moreover, the Court went beyond the scope of the present matter and acknowledged the ever-mounting need to update or clarify Section 3(k) limitations by referring to the Parliamentary Committee report. However, the Hon'ble Court observed that the modification of Section 3(k) would be in the legislative domain. In terms of the statute, as it stands, business method inventions are not patentable.

Further, the Court observed that a large number of inventions in emerging technologies, including by SMEs, start-ups, and educational institutions, could be in the field of business methods or application of computing and digital technologies. There is a need to have a re-look at the exclusions in Section 3(k) of the Patents Act, 1970, in view of the growing innovations in this space. Accordingly, the Hon'ble Court directed the Registry to send a copy of the present order to the Secretary, DPIIT, Ministry of Commerce and Industry for necessary consideration.

10. Patentability of Computer-Related Inventions Dissected

Case: Microsoft Technology Licensing, LLC vs Assistant Controller of Patents and Designs [C.A. (COMM. IPD-PAT) 29/2022]

Forum: High Court of Delhi

Order Dated: May 15, 2023

Issue: The interpretation of the phrase “computer program per se” in the exclusionary Section 3(k) of the Patent Act, 1970.

Order: Microsoft filed an application (1373/DEL/2003) on November 7, 2003, for the invention "*Methods and Systems for authentication of a user for sub-locations of a network location.*” After examination, the IPO refused the application on the grounds of non-patentability under Section 3(k) and other unmet requirements under the Act. Microsoft thereafter filed an appeal before the Hon’ble High Court of Delhi, challenging the Controller’s order.

The Controller alleged that the invention is merely a set of computer-executable instructions or algorithms, constituting a "computer program *per se*”. Particularly, the Controller stated that the invention is a method/system for performing two-level authentications based on cookies. The alleged invention provides a technique for authentication involving the use of two different cookies for authenticated access to the client computer accessing a sublocation in a network location, which is a set of instructions in the form of an algorithm performed by the general computing device. It has been implemented on a conventional computing device and software environment. The Controller, therefore, held that claims 1-28 are an implementation of computer-executable instructions/algorithms on a general-purpose computing device to achieve the intended functional features, leading to the refusal of the application.

Microsoft argued that Section 3(*k*) had been misinterpreted in the impugned order. The inclusion of the term “*per se*" in Section 3(k) indicates that the intent of the legislature is not to refuse the grant of patents to computer programs altogether. The intent was to refuse patent protection only to the computer programs *as such.*

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They further argued that the technical contribution/effect of the present application lies in the improved security of the existing computer and computer networks. The claims relate to a technical process, solve a technical problem, and provide a technical solution/advancement relating to the security of the data accessed on a network. Therefore, the contribution of the claimed invention does not lie solely in the excluded subject matter but rather in the combination of the software with the hardware components.

In the presence of the Controller who handled the application, the IPO argued that the claimed invention is merely an "algorithm", which is a set of rules that must be followed to solve a problem. The set of instructions is being implemented on a computer program *per se*, and the subject invention is, therefore, non-patentable. They further argued that the subject patent operates at the user-interface level and enhances user experience/efficiency, thereby not having any technical effect or contribution to the hardware/computer system itself.

The Court found it reasonable to revisit the historical background leading to the evolution of Section 3(*k*) to appreciate the legislative intent behind this provision. The Court noted that while the provision for the prohibition of certain categories of invention from patenting was introduced through the Patents Bill, 1953, it was only through the Patents (Second Amendment) Bill, 1999, that the term "computer programs" was inserted into Section 3. At that time, there was no mention of the term "*per se*" in this provision.

In 2001, the Joint Parliamentary Committee report recommended the insertion of the word "*per se*" in conjunction with "*computer program*" in Section 3(*k*). The report explained that this change has been proposed as the computer program may include certain other things ancillary thereto or developed thereon. Therefore, the intention here is not to reject them for grant of a patent if they are inventions but to refuse the patent to the computer programs *as such*.

Thereafter, the Rajya Sabha's Department Related Parliamentary Standing Committee on Commerce highlighted the need for a clear definition of "*per se*" under Section 3(*k*). In their report, the Committee acknowledged that a framework needs to be developed for the patenting of algorithms by associating their use with a tangible result.

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Based on this historical background, the Court observed that the legislative discussions emphasize the need for adopting a clear definition of the term "*per se*" to ensure accurate and consistent application of the law. It is evident that this term was added to clarify that "computer programs *as such*" are non-patentable. The amendment intended to allow the grant of patents to CRIs that involve a novel hardware component or provide a technical contribution to the prior art(s) beyond the program itself. More importantly, the Court acknowledged that although the legislative intent has always been clear, the term "*per se*" has led to inconsistent and imbalanced application of the law.

The Court referred to the CRI guidelines issued by the IPO and noted that the first CRI guidelines issued in 2013 clearly defined two terms, technical effect and technical advancement, which are used to assess the patent eligibility of a claimed invention in relation to Section 3(*k)*.

Thereafter, 2017 CRI guidelines aimed to provide further clarity and consistency in the examination process of CRIs. These guidelines eliminated the three-step test laid down in the 2016 CRI guidelines and the requirement of novel hardware in conjunction with a computer program (software) when a method claims *qua* a new computer program in combination with the hardware being claimed. The Court noted that the focus in the 2017 CRI guidelines appears to be on substance over forms and claims.

The Court then referred to the MPPP issued in 2019 and noted that the MPPP also considers 2017 CRI guidelines. The 2017 CRI guidelines and 2019 Manual thus clarify that "computer programs *as such*" are non-patentable, but inventions that involve a technical contribution or effect beyond the program itself may be patentable.

The Court acknowledged that despite the legislative intent and interpretation of the courts (and earlier IPAB) on this issue, the IPO often places significant reliance on the necessity of novel hardware as the determining factor. In the present case, the non-patentability objection also alludes to the same objection. The Court thus reinforced the view that patent applications should be considered in the context of established judicial precedents, Section 3 (*k)* of the Act, extant guidelines related to CRIs, and other materials that indicate the legislative framework.

The Court particularly stated that if a computer-based invention provides a technical effect or contribution, it may still be patentable. The technical effect or contribution can be demonstrated by showing that the invention solves a technical problem, enhances a technical process, or has some other technical benefit. The mere fact that an invention involves a mathematical or computer-based method does not automatically exclude it from being patentable.

The Court emphasized the importance of signposts for the evaluation of "*technical contribution*" and "*technical effect*". The Court remarked that examiners must analyse the substance of the invention to determine whether an invention falls within the excluded categories instead of focusing solely on the form of the claims. This approach ensures that inventions providing technical advancements and solutions to real-world problems are adequately considered for patent protection, irrespective of the way they are claimed or presented.

The Court further acknowledged that while the concept of technical effect and contribution is crucial in determining the patent eligibility of CRIs, there is currently a lack of clarity in this area. The Court accordingly suggested providing examples or illustrations of patentable and non-patentable computer programs in the CRI guidelines, as it would offer valuable guidance and clarity to applicants and patent examiners. The Court accordingly instructed the IPO to provide indicators to the examiners by citing an exhaustive list of worked examples relating to patent eligibility.

The Court emphasized that creating signposts would serve as reliable guidance for the examiners and would result in consistency in the examination, leading to a more predictable and transparent patent system. It would also help the Applicants to draft patent applications that demonstrate/delineate the technical merits of their inventions. Besides, it would also ensure alignment with practices adopted in several jurisdictions, such as EPO and USPTO. The Court also stated that the signposts laid down by the EPO provide a well-established and structured framework for assessing the patentability of CRIs. The Court, therefore, instructed the

IPO/CGPDTM to also frame signposts, keeping in mind the Indian legal framework.

The Court opined that the Controller had entirely missed the point and his approach was misguided. The mere conclusion that claims 1-28 are implemented on a computer and are computer-executable instructions/algorithms performed on a general-purpose computing device is not the correct approach for rejecting a patent application. The fact that the claimed invention involves a set of algorithms executed pre-defined sequentially on a conventional computing device does not necessarily imply that it lacks a technical effect or contribution. If the subject matter is implemented on a general-purpose computer but results in a technical effect that improves the computer system's functionality and effectiveness, the claimed invention cannot be rejected on non-patentability as a "computer program *per se*". Even a mathematical method or computer program can be used in a technical process carried out by technical means, such as a computer comprising hardware or a suitably configured general-purpose computer. The interpretation of "*per se*" under Section 3(*k)* of the Act has been entirely overlooked by the Controller.

The Court also acknowledged the technical contribution of the invention, such as using two different cookies to provide authenticated access to the client computer accessing a sub-location(s) within a network location, which simplifies user interaction with content received from feeds. The present invention, therefore, enhances the security of accessing sub-locations of network locations and streamlines the user experience.

The Court, therefore, held that the Controller's rejection stems from a misinterpretation of Section 3(*k)* of the Act and an oversight of the technical effect and contribution of the claimed invention, resulting in an erroneous determination that the subject patent constitutes "computer program *per se*".

The Court accordingly set aside the impugned order and held that the subject patent does not fall within the excluded categories and identified the next step to be assessing the novelty and inventive step (non-obviousness) of the claimed invention. However, since the impugned order did not have any discussion on other requirements, the Court did not comment on these

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grounds and remanded the matter back to the Controller to re-examine the application only for novelty and inventive steps.

Moreover, the Court, in general, guided the IPO to adopt a more comprehensive approach when assessing CRIs, considering technical effects and contributions provided by the invention rather than solely focusing on the implementation of algorithms and computer-executable instructions. An invention should not be deemed a computer program *per se* merely because it involves algorithms and computer-executable instructions. Rather, it should be assessed based on its technical advancements and practical application in solving real-world problems.

11. No Bar on Instituting Patent Infringement Suit when Post-Grant Opposition is Pending

Case: AstraZeneca Ab & Anr. vs West Coast Pharmaceutical Works Ltd. [CS (COMM) 101/2022]

Forum: High Court of Delhi

Judgment Dated: May 15, 2023

***Issues*:**

- Whether the term of validity of the patent stands extended by the time taken in disposal of post-grant opposition.
- Whether there is any screening or stringent admission procedure of a post-grant opposition to a patent because it is felt that unless there is a stringent admission procedure, the mere filing of a post-grant opposition should not be permitted to freeze or keep in abeyance the rights of a patentee.
- Whether an infringement suit could be instituted till the expiry of a year from the date of grant of the patent.

***Judgment*:** In the present case, a patent claiming the compound Osimertinib was granted to the plaintiff on June 11, 2018. Post-grant oppositions were filed by Sunshine Organics Pvt. Ltd. on May 14, 2019, and by Natco Pharma Ltd. on June 10, 2019, under Section 25(2)3 of the Patents Act.

The present suit was filed only thereafter on February 8, 2022, when the aforesaid post-grant oppositions of Sunshine and Natco were still pending before the Controller General of Patents.

Westcoast Pharmaceutical Works Limited, the defendant, has submitted a request under Order VII Rule 11 of the Code of Civil Procedure, 1903 (CPC), to dismiss CS (COMM) 101/2022, which was brought by the plaintiff, AstraZeneca AB.

The defendant contended that the suit was invalid due to a lack of pecuniary jurisdiction, asserting that it should have been filed before the District

Court. However, the Court determined that no provision in the Patents Act prevents a patent holder who has been granted a patent from pursuing an infringement suit immediately after receiving the patent. Requiring the patentee to wait for a year before initiating infringement proceedings would create an opportunity for infringers. Consequently, the suit was not dismissed for want of pecuniary jurisdiction.

The plaintiff argued that the right to file an infringement suit only arises after the patent is granted. The Court agreed with this argument and acknowledged that the plaintiff possesses the right to bring an infringement suit once the patent has been granted. Furthermore, the Court noted that there is no legal restriction on the patentee waiting for a specific period before acting against perceived infringement.

The Court determined that there are no grounds for rejecting the suit based on pecuniary jurisdiction or the plaintiff's right to file an infringement suit.

Additionally, the Court opined that the observations in paragraph 19 of *Aloys Wobben* are incidental statements and do not hold precedential value. Moreover, the Court distinguished between the granting of a patent and the crystallization of the right to hold the patent, emphasizing that obtaining a patent enables the patent holder to pursue action against infringement.

The Court dismissed the defendant's application under Order VII Rule 11 and found no reason to reject the suit. The issue of territorial jurisdiction was not raised or contested during the arguments and will be addressed later. The case is pending, and the re-notification is scheduled for August 1, 2023.

12. Does Access to Biological Resources by a Seed Company for Conventional Breeding Amount to Commercial Utilisation?

Case: DCM Shriram Limited vs National Biodiversity Authority [Appeal No. 61 to 63 2021 (SZ)]

Forum: The National Green Tribunal

Order Dated: May 30, 2023

Issue:

- Whether the appellant company undertaking conventional breeding is liable to take prior approval under section 3(1) of the Act.
- Whether the ABS imposed by the respondent is in accordance with the law?

Order: M/s DCM Shriram Ltd., the appellant, a public listed company incorporated under the laws of India, had filed three applications for retrospective NBA approval for the accessed watermelon, cotton, and bitter gourd species utilised for research purposes, in compliance with the provisions of the Act. The NBA processed the applications and shared the access and benefit sharing (ABS) agreements with the appellant for execution and directed them to make payment of the benefit sharing amount fixed by the Authority. The appellant was also given an opportunity to be heard, and after the hearing, the NBA directed the appellant to make an upfront payment for accessing biological resources, irrespective of the research outcome. Being aggrieved by the NBA's adverse order, the appellant appealed to the National Green Tribunal (Tribunal).

The major issues before the Tribunal were (1) Whether the appellant company undertaking conventional breeding is liable to take prior approval under section 3(1) of the Act. (2) Whether the ABS imposed by the respondent is in accordance with the law? These issues, along with other related issues, are discussed below:

Since the appellant had filed the present appeal after two years of impugned order of the respondent, the judgment in paragraphs 18 and 19 indicated that as the appellant had voluntarily applied before NBA admitting their past violations of the Act hence, after obtaining an adverse order it moved to the Tribunal without prejudice endorsements. Since the appellant accessed the biological resources for over 14 years, i.e., from 2004 to 2018, without approval, the appeal cannot be maintained.

The appellant argued that since it had accessed the biological resources for conventional breeding, it should be exempted from NBA approval, as per Regulation 17 of the Guidelines on Access to Biological Resources and Associated Knowledge and Benefit Sharing Regulations, 2014. However, the Tribunal rejected the appellant's claim and stated that Regulation 17(d) exempts conventional breeding or traditional practices to the extent that the accessed biological resources are used in agriculture, horticulture, poultry, dairy farming, animal husbandry or beekeeping in India. Since the appellant is not involved in any of the aforesaid activities and is involved in research leading to the commercial utilisation of biological resources and creating a global market for developed varieties, section 17 (d) does not apply to the appellant. Further, the Tribunal, in its judgment, stated that exemption is provided only when the biological resources are normally traded as a commodity. In contrast, the appellant had not accessed the biological resources for trade but used the accessed resources in research activities with commercial motive. Hence, the appellant's activity does not fall within the ambit of section 17 of the ABS Guidelines, 2014.

Next, the appellant argued that since it is a large commercial player that undertakes R&D towards commercialisation, the highest rate of benefit-sharing was imposed on the appellant in the benefit-sharing agreement received from the NBA. To this, the respondent submitted that since the appellant case is considered under the office memorandum dated 10.09.2018 and 18.03.2019 pertaining to violation cases, the highest rate of benefit sharing component is levied. It is as per the guidelines issued by the authority for research applications. The Tribunal decided this issue also against the appellant.

The appellant argued that it had accessed the biological resources for the purpose of conventional breeding involving crossing and selection of different varieties within the same species to obtain new or improved varieties; hence, it is exempted from NBA approval under section 2 (f) of the Act. The appellant also argued that conventional breeding is excluded

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from commercial utilisation activities; hence, conventional breeding, even when it is done by seed companies like the appellant, whether for commercial gain or otherwise, is exempted under the Act.

The appellant also alleged that the reasoning of NBA in having a difference between a company and a farmer and assuming that only seed companies will have a commercial motive and not farmers is incorrect. It is argued that every activity that involves a commercial motive does not automatically come within the scope of commercial utilisation under section 2(f) of the Act. The appellant also submitted that section 2 (f) of the Act defines the term "commercial utilisation" in terms of end-user of the biological resources and the list of examples given in the affirmative part of the definition, i.e., drugs, industrial enzymes, food flavours, fragrance, cosmetics, emulsifiers, oleoresins, colours, extracts and the genes used for improving crops and livestock through genetic intervention are non-living artificial products that are intended for end use by a consumer and signify a point of no return from the perspective of the biological resource in question i.e., a biological resource is being converted into an artificial product. As the above definition is totally agonistic to who is undertaking the activity, conventional breeding, which is understood in the science of plant breeding, is exempted irrespective of whether there is a commercial motive or whether it is a company or an individual farmer.

While deciding this issue, the Tribunal adverted to NBA Form I for access to biological resources submitted by the applicant and noted that the accessed material is used as a check for in-house trial and some material is used for plant breeding. Since these activities amount to research on biological resources, as per section 2(m) of the Act, prior approval of the NBA is required. As the appellant is a seed company which produces seeds through conventional breeding methods with commercial intent, it cannot claim exemption under section 2(f) of the Act. In view of the above, the appellant is involved in research leading to commercial utilisation and creating a market at a global level; hence, such a claim of the appellant cannot be sustained as per the provisions of the Act.

While deciding this matter, since the appellant is a seed company, the Tribunal adverted to the Uttarakhand High Court judgement in *Divya Pharmacy vs Union of India And Others* (2018) (SCC 1035), where the procedure for access to biological resources for commercial utilisation and mode of benefit sharing for access to biological resources for commercial utilisation was discussed in detail. Accordingly, it was decided that NBA/SBB has the powers to demand fair and equitable benefit sharing amount from the appellant; hence, the challenge of the appellant to the validity of the Regulations fails. For the aforesaid reasons, the appeals are dismissed.

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13. SEP Holders Entitled to Pro-Tem Security Payment: Delhi High Court

Forum: High Court of Delhi

Case: Nokia Technologies Oy vs Guangdong Oppo Mobile Telecommunications Corp Ltd & Ors. [FAO(OS) (COMM) 321/2022 & CM APPL. 53576-53579/2022]

Judgment Dated: July 3, 2023

***Issues*:**

- Whether the Court has the power to pass a pro-tem (temporary) order without conducting an exhaustive exploration of the merits of the case?
- Whether, under the facts and circumstances of the present case, a pro-tem order is necessary? One party is seeking an interim order to maintain the status quo or protect its interests until the full trial takes place.

***Judgment*:** Nokia and Oppo entered into a cross-licence agreement for the use of Nokia's SEPs in 2018 for a period of three years, which expired on 30th June 2021. Nokia filed the underlying suit for infringement of its three SEPs upon failure of execution of a fresh licence agreement between the parties. The underlying suit was filed before a Single Judge in July 2021. The Single Judge dismissed Nokia's application, stating that the court lacked the power to do so without examining the merits of the case. The Appellant, Nokia, then filed the present appeal before the division bench against the order dated 17th November 2022 passed by the Single Judge.

Nokia contended that while seeking the pro-tem deposit, sufficient facts and law had been pleaded by it before the learned Single Judge. Nokia submitted that admitting to the past licensor-licensee relationship between the two companies, Oppo had also offered to make payments of royalties for a fresh licence. Nokia further contended that international and local jurisprudence mandate payment of security deposits by an implementer of SEPs at the pro-tem stage in almost all cases. Nokia stated that Oppo had been subject to injunction orders in Germany as it had been found to be an unwilling licensee by the German courts.

Nokia further contended that most of the issues raised in the present appeal had been recently decided by the Court in Intex Technologies (India) Ltd. Vs Telefonaktiebolaget L.M. Ericsson (hereinafter referred to as 'Intex Vs Ericsson') and are no longer res integra. Relying on the judgment in Intex vs Ericsson, and Nokia stated that the judgement specifically held that implementers of SEPs are obligated to furnish security to the owner of the SEP. Lastly, citing the unstable financial condition of Oppo India, Nokia contended that it is also important to secure Nokia's interests and that an order for the deposit of money on a pro-tem basis won't enrich Nokia's account as it will only be deposited in the Court.

Oppo argued that a patent holder cannot seek an interim or even a permanent injunction as a matter of right in SEP matters. Comparing a pro-tem arrangement to a conditional injunction order, Oppo submitted that before the grant of relief, the plaintiff must pass the four-fold test stipulated by the learned Single Judge. Oppo further argued that there could be no finding of "unwillingness" prior to an assessment of the infringement, essentiality, and validity claims made by a SEP holder, which is in accordance with the judgment in Intex Vs. Ericsson and is also the consistent practice across the world.

Oppo contended that only on the basis of Oppo being an ex-licensee or having admitted an obligation to make interim payments a prima facie case cannot be said to be established against Oppo. Arguing further against the pro-tem security deposit, Oppo submitted that the claimed assurances given to make interim payments could not be construed to be an admission of any liability or requirement to submit any deposits during litigation in Court as the same was made in an effort to settle the dispute outside of litigation.

The Court, after hearing both parties, held that payment of a pro-tem security is the implementer's obligation in the negotiation phase itself. The implementer cannot continue to derive benefits by using the SEP technology without making any payments for such use if the negotiations between the parties fail. The Court, referring to Intex Vs. Ericsson affirmed that the Indian Courts have the power to pass deposit orders even on the first date of hearing if the facts are so warranted. The Court observed that it takes time to examine various aspects on merits for deciding an application for interim relief, and if no security is offered to the SEP holder during the interregnum, the implementer gets an unfair advantage over the SEP holder as well as other willing licensees in the market.

The Court clarified that a pro-tem security order does not confer any advantage upon a SEP holder as it only balances the asymmetric advantage that an implementer has over an SEP holder. Further, it clarified that a pro-tem security order is not like an injunction order as it does not stop or prevent the manufacturing and sale of infringing devices. The Court also clarified that Section 140(1)(iii)(d) of the Patents Act is not applicable to the facts of the present case as the said Section only prevents a patent licensor from including terms which prevent a challenge to the validity of the patent in question in a licence agreement. The said Section does not warrant that an ex-licensee shall not be required to provide pro-tem security payment, at the interim stage, to the SEP holder.

Further, the Court, in agreement with Nokia's contentions and referring to the judgement in Intex Vs. Ericsson held that the four-fold test, as stipulated in the impugned judgment passed by the learned Single Judge, is contrary to law. The Court while taking into account Section 151, Order XII Rule 6, Order XXXIX Rule 10 CPC held that Indian law under the said sections empowers the Courts to pass orders for deposit of a pro-tem amount with the court in case the Defendant admits that it owes money to the Plaintiff. The Court stated that in view of the suit filed by Oppo in China for determination of the FRAND rate and the fact that Oppo had already paid a royalty for three years without raising any dispute over the essentiality or validity of Nokia's patents at any stage earlier, a prima facie case of infringement can be made out in the present case.

14. Affordable Access to Anti-Cancer Drug Significant - Delhi HC Denies Interim Injunction to Bayer

Case: Bayer Healthcare LLC vs. NATCO Pharma Limited [CS(COMM) 343/2019, I.As. 8878/2019, 9685/2019, 1178/2022, CS(COMM) 660/2022 and I.As. 15573/2022, 15574/2022, 1432/2023, 1848/2023]

Forum: High Court of Delhi

Judgment Dated: July 5, 2023

***Issues*:**

- Whether an interim injunction should be granted against the defendant for potential patent infringement?
- Whether the defendant has raised a credible challenge to the vulnerability of the patent?
- Whether the product/process claimed in the subsequent patent was 'covered' in the earlier patent?

***Judgment*:** Bayer Healthcare LLC claimed an interim injunction against Natco Pharma Ltd. based on the patent for a molecule referred to as the "suit patent." This molecule was claimed to be a new chemical entity and was given the International Non-proprietary Name (INN) "REGORAFENIB." The case was heard by a Single Judge Bench, Justice Navin Chawla.

In this case, the plaintiff holds a valid patent for the drug REGORAFENIB, which is used to treat cancer. They claim to have obtained an import license and have been selling the drug in various countries, including India, since 2015. The plaintiff argues that REGORAFENIB is a significant medical advancement, approved by the US FDA, and has proven to extend the lives of cancer patients.

On the other hand, the defendant asserts that the plaintiff had prior knowledge of REGORAFENIB when they filed a genus patent. During the patent prosecution, the plaintiff made amendments that excluded certain compounds, including REGORAFENIB, from the original patent

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application. The defendant alleges that this action allowed REGORAFENIB to enter the public domain when the genus patent expired.

The Court referred to previous cases *(B.P. Radhey Shyam v. Hindustan Metal Industries; F. Hoffmann-LA Roche Ltd. v. Cipla Ltd.; Novartis AG v. Union of India; AstraZeneca AB v. INTA's Pharmaceuticals Ltd.; and FMC Corporation v. GSP Crop Science Pt. Ltd.)* to establish that an old patent or lack of challenges to its validity does not presume its validity. The defendant's obligation was to show the patent's vulnerability and did not prove its invalidity.

The Court emphasised that a patent application must accurately describe the invention and its operation, including the best method known to the applicant. Once the patent term expires, the subject matter covered by the patent is no longer entitled to protection.

The plaintiff had filed a divisional application after deleting a reference to REGROFENIB in the original specification. The defendant claimed that the divisional application had been rejected for not meeting the criteria under the Patents Act, which raised a credible defence.

The plaintiff admitted that the said patent was covered by a genus patent that had already expired, which weakened their case for an interim injunction.

The court expressed the view that public interest demanded broad access to an affordable anti-cancer drug like REGORAFENIB. This drug could be a matter of life and death for certain patients, and given the nature of the disease it aimed to treat, its affordability played a crucial role in making it accessible to a larger population. The defendant's product was significantly cheaper than the plaintiff's, making it more affordable for the public. Therefore, the Court refused to grant an injunction, considering the credible challenge to the patent and the importance of affordability in accessing the drug.

Considering these factors, the Court concluded that it would not be appropriate to prohibit Natco Pharma Ltd. from selling the product, especially when there was a legitimate challenge to the patent, and Bayer had already enjoyed full patent protection for the relevant term.

The Court decided against granting the interim injunction, considering the significance of affordable access to the drug for the wider public, the ongoing patent challenge, and the previous protection Bayer had received for a broader category patent.

15. Interplay Between Patent Law and Competition Law: The Ericsson vs CCI Matter

Case: Telefonaktiebolaget LM Ericsson (PUBL) vs Competition Commission of India & Anr. [LPA 247/2016]

Forum: High Court of Delhi

Order Dated: July 13, 2023

***Issues*:**

- Whether the CCI possessed the authority to investigate and adjudicate matters pertaining to licencing conditions imposed by patentees, particularly within the context of SEPs.

- Whether the provisions of the Patents Act, 1970 and the Competition Act, 2002 were in conflict, and if so, which law should have prevailed in such cases was examined.

***Judgment*:**

The case presented a pivotal intersection between patent law and competition law, revolving around the power of the CCI to inquire into agreements involving licencing conditions imposed by patent holders. The court conducted a comprehensive analysis that delved into the nuanced aspects of both Acts, with a particular focus on the jurisdictional clash between them.

The factual context of the agreements entered into by Ericsson and other telecom companies was taken into account. The court examined the principles of competition law, with a focus on the significance of preventing anticompetitive behaviour, including the establishment of barriers to entry and the elimination of competitors from the market. It also delved into the aspects of consumer welfare, innovation, and economic development that were aimed to be promoted by competition law.

The court's reasoning was based on legal principles such as the maxim "generalia specialibus non derogant" and the principle that special laws prevailed over general laws. The court emphasised the legislative intent behind the Patents Act of 1970, which provided a comprehensive framework for licencing conditions, abuse of patent rights, and anticompetitive practices in the context of patents.

The argument regarding whether the provisions of the Competition Act, 2002, could override the provisions of the Patents Act, 1970, was addressed by the court. The interplay between the two statutes was critically analysed, and it was concluded that the Patents Act was the special law governing issues pertaining to patent rights, licencing conditions, and abuse of patentee status.

Based on its analysis, the court determined that the CCI lacked the authority to conduct the inquiry into the licencing conditions imposed by Ericsson. The court emphasised that the Patents Act had provided a comprehensive framework for addressing such issues, and the CCI's jurisdiction had been limited by the domain of the Patents Act. In conclusion, the court quashed the proceedings initiated by the CCI against Ericsson, asserting that the CCI lacked the power to conduct an inquiry into the licencing conditions imposed by the patentees. The court's judgement upheld the primacy of the Patents Act in dealing with issues related to patent rights, licencing conditions, and abuse of patentee status while reiterating the importance of maintaining a balance between competition and innovation. The judgement has clarified the respective scopes of the Patents Act, 1970, and the Competition Act, 2002, in the context of agreements involving patent rights, contributing to the legal landscape's understanding of the interplay between patent law and competition law.

16. Delhi High Court Grants Injunction Against Canva in Patent Infringement Case by Indian Startup RX Prism

Case: RxPrism Health Systems Private Limited vs Canva Pty. Ltd. [CS(COMM) 573/2021 and I.A. 14842/2021]

Forum: High Court of Delhi

Order Dated: July 18, 2023

***Issues*:**

- Whether the defendant's Canva product, specifically the component incorporating the 'Present and Record' feature, constituted an infringement upon the plaintiff's patent (IN360726)?
- The subject matter of the case pertained to the potential vulnerability of the Plaintiff's patent (IN360726) to invalidity claims, specifically in relation to prior art documents such as Auto-Auditorium, Loom, and the 2016 edition of Microsoft PowerPoint?

***Judgment*:** The matter concerned a legal dispute regarding patent infringement involving Rxprism Health Systems Pvt. Ltd. (Plaintiff) and Canva Pty. Ltd. & Others (Defendants). The Plaintiff possessed a patent (IN360726) for a system and methodology that enabled users to exhibit their items through the utilisation of interactive content player technology. The Plaintiff alleged that the Defendant's Canva product included a function known as 'Present and Record' that was believed to be in violation of their patented technology.

The Plaintiff asserted that the Defendant's feature satisfied all components of their patent claims. On the other hand, the Defendant claimed that their product did not violate the Plaintiff's patent, contending that notable distinctions may be observed between the two systems. The Plaintiff successfully built a prima facie case of infringement by employing claim charts to illustrate and demonstrate that the Defendant's feature incorporated the essential aspects of their patented technology.

With regards to the issue of invalidity, the Defendant's main emphasis lay on the 2016 iteration of Microsoft PowerPoint. Nevertheless, the court determined that the Plaintiff's invention exhibits inventiveness in comparison to the most closely related prior arts, namely Auto-Auditorium, Loom, and the 2016 iteration of Microsoft PowerPoint. The court reached the determination that there had been no presentation of a credible or sustainable challenge to the validity of the patent.

The written statement provided by Defendant utilized wording that implies Plaintiff's motives involved obtaining an excessively high license fee and pressuring Defendant into accepting unfavourable conditions. The court deemed these terms to be in violation of acceptable wording in legal documents and not justified in a case involving patent infringement.

The instances of Raj Parkash v. Mangat Ram Chowdhury and F. Hoffman La Roche v. Cipla were also cited as references. The conduct exhibited by the Defendant, wherein they initially asserted ownership of the technology and thereafter relinquished their pursuit of associated applications, gives rise to apprehensions. Based on an evaluation of the conflict between convenience and the potential for irreparable harm to the Plaintiff's licensing prospects, the court decided in favour of the Plaintiff. The Defendant was prohibited from offering the 'Present and Record' functionality inside their Canva product.

Furthermore, the Defendant is instructed to provide a sum of Rs. 50 lakhs as a form of collateral for the Plaintiff's assertions on the previous utilisation of the infringing characteristic. The Plaintiff is granted a monetary award of Rs. 5 lakhs. The determinations made by the court in this particular ruling do not carry legal weight in determining the ultimate outcome of the trial. In summary, the court has rendered a verdict in favour of the Plaintiff with regard to the matters of infringement and invalidity. As a result, the Defendant is prohibited from utilising the infringing feature, a security deposit is mandated, and the Plaintiff is granted costs. The case is still pending more trial proceedings.

17. Rule 138 Amendment Not Violative of PCT Commitments by India

Case: Humanity Life Extension LLC vs Union of India & Anr. [W.P.(C) 12238/2019]

Forum: High Court of Delhi

Judgment Dated: July 20, 2023

Issue:

- Whether the amendments in Rule 138 {Patents (Amendment) Rules 2016}, is ultra vires to Section 159 of the Patents Act, 1970, read in conjunction with the Patents (Amendment) Act No. 38 of 2002 and Patents (Amendment) Act No. 15 of 2005 and Rule 23 of the Patents Rules, 2021 read in conjunction with Rule 49.6 of the PCT Regulations?

Judgment: The petitioner, Humanity Life Extension LLC, who happened to miss filing a national phase application in India within the prescribed period of thirty-one months from the date of priority, contends that the amendments in Rule 138 {Patents (Amendment) Rules 2016}, is ultra vires to Section 159 of the Patents Act, 1970 read in conjunction with the Patents (Amendment) Act No. 38 of 2002 and Patents (Amendment) Act No. 15 of 2005 and Rule 23 of the Patents Rules, 2021 read in conjunction with Rule 49.6 of the PCT Regulations.

In simple terms, the petitioner's case was that since India is a signatory to the PCT and that the Patents Act and the Patents Rules were suitably modified to comply with the obligations under the PCT, including provisions of Rule 49.6 of the PCT Regulations, Section 159 of the Patent Act does not empower the Central Government to make rules, which militates against the provisions of the PCT.

Rule 138 of Patents (Amendment) Rules 2016, which confers the Controller with the power to extend the prescribed time, reads out as:

"138. Power to extend the time prescribed.- (1) Except for the time prescribed in clause (i) of sub-rule (4) of rule 20, sub-rule (6) of rule 20, rule 21, sub-rules (1), (5) and (6) of rule 24B, sub-rules (10) and (11) of rule 24C, sub-rule (4) of rule 55, sub-rule (1A) of rule 80 and sub-rules (1) and (2) of rule 130, the time prescribed by these rules for doing of any act or the taking of any proceeding thereunder may be extended by the Controller for a period of one month, if he thinks it fit to do so and upon such terms as he may direct.

(2) Any request for extension of time prescribed by these rules for the doing of any act or the taking of any proceeding thereunder shall be made before the expiry of such time prescribed in these rules."

Rule 138, as currently in force compared to the preceding Rule 138, extended the scope of carved-out exceptions for applicability of Rule 138 and denuded the Controller of powers to condone the delay in respect of the time limit to file national phase application.

Section 159, on the other side, concisely confers the Central Government with power to make rules, while Patents Rule 23 states that the provisions of said Rule shall be supplemental to the PCT and the regulation and the administrative instructions made thereunder and that in case of a conflict between any provisions of the Rules contained in this chapter and provisions of the Treaty and the regulations and the administrative instructions made thereunder, the provisions of the Treaty and the regulations and administrative instructions made thereunder shall apply in relation to international applications. Rule 49.6 of the PCT Regulations stipulates that the designated office is required to reinstate rights with respect to the International Application if it finds that the delay in meeting the timeline was unintentional.

The court, taking cues from the decision of the Co-ordinate bench of Delhi High Court in Diebold Self Service Systems v. Union of India, refused the petitioner's request for setting aside amendments of 2016 to Rule 138 for not being consistent with Rule 49.6 of the PCT Regulations and restricting the condonation of delay in filing of the national phase application. The Court held that reinstatement of rights after failure to perform the acts referred to in Article 22 as provided in Rule 49.6 of PCT regulation are

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subject to satisfaction of condition laid down in paragraph (f) of Rule 49.6. Paragraph (f) of Rule 49.6 summarises that an incompatibility of paragraphs (a) to (e) of Rule 49.6 of PCT regulation with the national law of the designated office renders non-applicability of Rule 49.6, that would persist in respect of that designated office. Further, as India has expressed its reservations regarding Rule 49.6(f) of the PCT Regulations, provisions provided under Rule 49.6(a) - (e) of the PCT Regulations are not applicable in India.

The judgement, however, doesn't sync with the progressive approach adopted by the same court in many other judgements, some of them with similar causes of action, where non-compliance with non-extendable timelines had been obviated, albeit for different timelines and on different grounds, and by exercising its writ jurisdiction. In European Commission vs Union of India, the Delhi High Court directed the Controller General of Patents to consider the response to FER filed by the applicant after the lapse of mandatory timeline, and the factual matrix of said case was, in essence, similar to the present case, that is a lapse on the part of the agent to act within the prescribed timeline. There appears to be no difference among different timelines, except that they are being extendable or non-extendable, at least as per the statutory provisions. However, considering that courts have contrarily decided on the gravity of the mandatory nature of timelines in different cases, the development of clear jurisprudence regarding the mandatory nature of timelines would still take some time.

18. Vifor vs Dr. Reddy's Laboratories: A Closer Look at Product-by-Process Patent Claims

Case: Vifor International Ltd & Anr. vs Dr Reddys Laboratories Limited [CS(COMM) 261/2021]

Forum: High Court of Delhi

Order Dated: July 24, 2023

Issue: Whether the plaintiff's patent suit claim solely a "product-by-process" claim?

Judgment: The judgment deals with the collective disposal of three applications seeking an interim injunction against defendants MSN Laboratories Private Limited, Dr. Reddy's Laboratories Limited, Corona Remedies Private Limited, and Virchow Biotech Private Limited filed by Vifor International Limited in three separate suits asserting its rights for patent No. 221536 (IN'536). The judgment also disposes of an application filed by Corona Remedies Private Limited and Virchow Biotech Private Limited seeking an interim injunction restraining Vifor from threatening and hampering the business or taking any coercive action.

The suit patent is running in its last year term, which expires on October 20, 2023, and relates to a Ferric carboxymaltose (FCM) and the process for preparation thereof. The product FCM can be used for intravenous treatment of iron deficiency and is commercialised by the patentee and its licensee under the brand names Encicarb, Ferium and Orofer FCM in India. Vifor, in its application for an injunction, asserted that FCM is the first non-dextran water-soluble iron complex with the potential of higher and faster intravenous iron dosing. The product is also claimed to possess additional advantages such as advanced stability, easy sterilisation, reduced toxicity, parenteral application, etc.

At the core, the complexity of the suit resides in the presence of process limitations in claim language, which render the claim to be a "product-by-process" claim. Vifor's assertion of infringement is based on the assumption that the product claim of suit patent covers the product FCM, irrespective

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of the process used for its manufacture. The process elements described in a claim are merely used as an aid to describe the product and represent only an exemplary process but are not limitations that would restrict the scope of the product (FCM) claimed therein.

Vifor, for strengthening its assertion of rights over FCM, irrespective of the process for its production, contended that the corresponding US patent of IN'536 has been listed in the US Food and Drug Administration's Orange Book as the "DS" or "Drug substance" and that no process patents, i.e., patents that have no claim over a product cannot be enlisted in the US FDA Orange Book. Vifor also emphasised that the suit patent has had huge commercial success and has been granted in 57 jurisdictions globally, including major patent jurisdictions such as the US and EU. Net sales of FCM in India for the period 2017-21 is Rs. 650 Crores.

The Court, however, held a view contrary to the stand of Vifor that the scope of claim 1 of IN'536 is limited to a product obtained by the specific process provided therein, i.e., oxidation of maltodextrin using aqueous hypochlorite. The Court considered the process limitation in a claim in question as an essential and inextricable part, and accordingly, said claim does not cover any or all processes that may be used to obtain FCM or any or all processes for oxidation of maltodextrin.

To adjudicate the matter and to arrive at its view, the Court also deliberated upon issues of recognition of product-by-process patents by the Indian statutory regime by referring to the guidelines, which indicate that the Patent Office in India recognises the existence of product-by-process claims and thus have laid down the pre-requisites for assessment of novelty for product-by-process claims. The Court further held that the patentability of a product-by-process claim depends upon the product itself only if it does not depend upon the method of production, which, when provided, highlights that process steps in such claims are limitations but not additional/optional features of the product concerned.

The Court, borrowing the US concept of 'Markman hearing' and adhering to principles of claim construction laid down in F. Hoffmann-La Roche Ltd. & Anr., conducted infringement analysis by determining the meaning and scope of the claims of the suit patent and comparing it to the allegedly infringing product/process. The court opined that in order to be categorised as a product claim, a product must be described by its composition and structure, both physical and chemical, but should not be limited by any process. However, claim 1 of IN'536 does not fit into the definition of 'product claim', and the limitations related to obtaining FCM by a specified process defined in said claim align the claim to be a 'product-by-process claim', and thus, the monopoly has to be limited to the product obtained by the specific process in the claims.

While performing claim construction, the Court considered not only complete specification but also prosecution history estoppel. The court considered the representation made by Vifor during the prosecution of the suit patent that the novel properties in the product were attributable to characteristic features of the process mentioned therein, which are evident in the complete specification.

The court also considered the terminal disclaimer filed in corresponding US Patent Application 17/132652, which claims the iron (III) carbohydrate complex 'obtained by' oxidation of maltodextrins, and response filed in corresponding EP Application granted as EP1554315B1, wherein it was expressly stated that invention of claim 1 is different from the prior art in terms of using an alkali material, i.e., aqueous hypochlorite and that these submissions clearly amounts to an admission that this is the only feature which distinguishes the product-by-process claim from the prior art and shows that step of oxidation of maltodextrins using aqueous hypochlorite in alkaline pH range is essential and critical to the determination of the scope of claim 1.

The Court, further considering the admission of Vifor in the complete specification that iron carbohydrate complexes were already known, concluded that the only prima facie conclusion that could be reached is that the purported invention resides in preparing iron carbohydrate complexes with maltodextrin as the starting material and/or the step of oxidation using the specified oxidising agent, i.e., aqueous hypochlorite solution.

The process employed by the defendants to manufacture FCM involves the replacement of maltodextrin-oxidising agent, i.e., Oxone, in place of aqueous hypochlorite as used by Vifor. The chemical and physical properties of Oxone and sodium hypochlorite are distinct and different, and this difference gives an edge to the defendants in terms of avoiding the formation of undesired chlorinated by-products, inorganic impurities such as metal bromides, chlorides and carbonates, which impact the yield and purity of iron (III) Carboxymaltose, problems inherent in Vifor's process.

The Court also pointed out that Vifor, while drafting claim 1, consciously and knowingly restricted the scope of the claim for obtaining FCM by a process where aqueous hypochlorite is used as an oxidising agent, which is not the oxidising agent used by the Defendants. This change of oxidising agent is not insignificant or innocuous, particularly for a carefully drafted claim with a process limitation for oxidising agent and thus brings out the defendants' process outside the scope of claim 1 of IN'536. As the defendants' product FCM is made by a different process, the defendants cannot be prima facie accused of an infringement.

In conclusion, this judgment not only sheds light into a less explored area related to "product-by-process" claims but also reconfirms that in order to obtain an interim injunction, the plaintiff must discharge the burden of proof by demonstrating that the rival process for manufacture is identical to the asserted process. Failure to discharge the burden of proof by the plaintiff would shift the balance of convenience against the plaintiffs, and an irreparable injury would likely be caused to the defendants if the interim injunction was granted.

19. No Time Bar in Patents Act Preventing Applicant from Submitting Additional Documents after Patent Claim Filing

Case: Oyster Point Pharma Inc vs The Controller of Patents & Anr. [AID NO.10 of 2022]

Forum: High Court of Calcutta

Judgment Dated: July 26, 2023

Issue: Whether the details of the experiments conducted, comparative studies made, and their conclusive results should be considered to determine the efficacy of a patent?

Judgment: On May 5, 2011, Oyster Point Pharma Inc., a biopharmaceutical firm that discovers, develops, and markets innovative ocular surface treatments (the appellant), filed Patent Application No. 1879/KOLNP/2011 under Section 117A of the Patents Act of 1970. On September 16, 2021, the Assistant Controller of Patents and Designs refused the grant. Due to three prior art references, the application was refused under sections 2(1)(ja) and 3(d) of the Patents Act. The appellant claimed that the respondent failed to acknowledge the revised claims' greater efficacy.

The current invention relates to a stereospecific synthesis of (R)-5(E)-2-pyrrolidin-3-ylvinyl) pyrimidine, its salts, and novel polymorphic salts. These not only treat pain and inflammation but also treat central and autonomic nervous system failure. The appellant voluntarily submitted claims 1-35 and Form 13 amending claims 1-9 on October 31, 2017, and October 22, 2018. The FERs were issued on July 10, 2019. On February 11, 2020, the appellant submitted the response and fresh claims. A hearing notice was issued on July 6, 2020. The appellant provided comprehensive written responses and updated claims 1 through 5 on September 11, 2020. Respondent No. 2 refused the application, citing D1, D2, and D3. The rejection was due to a lack of innovative steps and Section 3(d) of the Indian Patents Act.

The chemical (R)-5-((E)-2-pyrroliding-3-ylvinyl)pyrimidine galactarate salt is talked about in document D1. It does not, however, give a competent person comprehensive knowledge of the compounds claimed in the subject

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invention or their intended features. The free base of (R)-5-((E)-2-pyrroliding-3-ylvinyl) pyrimidine is viscous and stable. To be marketed, the molecule's stability, solubility, production efficiency, formulation, and repeatability must be adjusted.

The respondents do not understand how the PCT disclosure demonstrates that the mono-citrate salt can be obtained in stable, free-flowing solid forms that are both amorphous and crystalline, are not sensitive to moisture or temperature, are not hygroscopic, and do not deliquesce during stability testing. This result could only be obtained by specialised testing. As a result, producing pharmaceutical-grade salt only from D2 and D3 acids is difficult. The order did not say anything about how the patent application in question lacked innovative processes. The respondents ignored the appellant's amended claims 1–5 and Appendix C, which show that the (R)-5-((E)-2-pyrroliding-3-ylvinyl) pyrimidine mono citrate salt has improved efficacy. The new claims indicate the salt compound's potency.

Furthermore, the respondent failed to consider the additional experimental evidence provided with the Written Submissions in support of the claimed invention. The appellant contends that the earlier case law in *Novartis AG v. Union of India (2013) 6 SCC* requires the prosecution to consider experimental evidence establishing the efficacy of a medication or substance. The claimed invention, according to the respondents, is essentially a novel mono-citrate salt of (R)-5-((E)-2-pyrroliding-3-ylvinyl)pyrimidine with no added effectiveness. The assertion is supported by the pillars of purity, stability, solubility, and bioavailability. Because the objection was lodged late, the Assistant Controller did not consider Appendices A, B, and C when issuing the disputed decision, according to Section 2(1)(ja) of the Act. Because the invention is a "new form of a known substance," it cannot be patented unless its efficacy differs significantly from that of the known substance.

Furthermore, the absence of a Second Examination Report (SER) would not have invalidated the appellant's claims. The compounds suitable for commercial use could not have been identified without prolonged and rigorous additional experimentation by a skilled individual, according to Section 2(1)(ja) of the Act. The viscous oil (R)-5-((E)-2-pyrroliding-3-ylvinyl) pyrimidine has limited solubility and stability in its free base form.

According to the PCT specification for the claimed invention, stable, free-flowing crystalline and amorphous solid forms of mono-citrate salt are possible. Stability tests reveal no temperature or moisture sensitivity, hygroscopicity, or deliquescence. Such results necessitate extensive research.

The court emphasised that it is necessary to evaluate the prior art to establish whether the claimed invention, based on its disclosures, would have been evident to a person of ordinary competence in the art. As a result, the Controller must assess what is known and how a person of ordinary skill in the art could apply that knowledge to the invention under consideration, as stated in the application under examination. In the absence of such an approach, Section 2(1)(ja) of the Act prevents the rejection of the patent application.

Respondent No. 2 erred in deciding that "*it would have been obvious to a person skilled in the art to try and arrive at the claimed alleged invention with a reasonable expectation of success to achieve the desired result without any inventive ingenuity."* The respondent authority's prior art does not demonstrate that the appellant's claim was obvious. The order makes no mention of how the appellant attempted to distinguish D1 from innovation. The appellant identified flaws in prior art document D1. This is ignored by the order. As a result, the allegation that the asserted invention incorporates creative steps beyond D1 is unfounded.

The Court referred to *Novartis AG v. Union of India (2013), 6 SCC*, which defines What exactly is "efficacy"? A patentable drug is a unique, more effective variation of an existing drug. A trained individual, on the other hand, cannot judge the efficacy of a substance without considering trial findings and comparison studies. It should have reviewed the experiments, comparative analyses, and decisive findings in Appendices A, B, and C to support the claimed invention before passing the order. The Act does not specify a time limit for filing new papers following the filing of a patent application.

Drug development is difficult. When enrolling, it may not disclose all of the information. Additional testing may be required before a drug enters clinical trials. Appendix C demonstrated the mono-citrate salt's nAChR subtype action. The compound's potency increased as a result of structural and

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functional adaptations. Appendices A, B, and C all validated the substance's efficacy. The Controller discarded Appendices A, B, and C without explanation. The goal was to obtain a stable salt for use in pharmaceutical formulation, and the disputed decision did not analyse or consider the stability data in Appendix A.

The issuance of the Second Examination Report (SER) was not needed, and its concealment would not jeopardise the appellant's rights. Regardless of the decision, Section 13(3) must be followed. Furthermore, the Assistant Controller made a mistake by not issuing the SER in violation of Section 13(3) of the Act. The court concluded that when determining efficacy, the Controller should have considered the specifics of the investigations, comparative studies, and their results. After concluding that the Act has no time limit forbidding an applicant from submitting additional papers after filing a patent application, the court reversed its ruling and remanded the case to the respondent.

20. The Evolving Divisional Patent Filing Trends in India

Case: Syngenta Limited vs. Controller of Patents and Designs [C.A.(COMM.IPD-PAT) 471/2022]

Forum: Delhi High Court

Order Dated: July 26, 2023

Issue: Whether the refusal of a divisional application (7059/DELNP/2011) by the Controller of Patents was valid?

Order: In this case, a divisional application 7059/DELNP/2011 was filed from a parent application 6114/DELNP/2005. The divisional application 7059/DELNP/2011 was refused by the Controller.

An appeal was filed at the High Court which challenged the impugned order by the Controller, which had mentioned "*whether the application falls within Sections 16 and 2(1)(ja) or not"*. Further *"The applicant replied and distinct all prior art D1 to D9 from the present invention to meet the requirements of Section 2(1)ja of the Act. Section 16 shall be interpreted in such a manner to avoid any inconsistency uncertainty and friction in the system and if the interpretation as suggested by the agent for the applicant is applied it would allow the applicant to enjoy unfettered time limits to put his application in order as opposed to the provisions of section21(1) of the Act*."

Page 10 of the impugned order mentions that "*A careful reading of section 16 in conjunction with section 7 and Section 10(5) revealed that this heading implies that even if the applicant files an application suo moto which is purportedly an application diverted out of another application. The Controller is under obligation to see whether the parent application from which the impugned application has been divided truly comprises of plurality of inventive concepts. If not, there is no reason that the Controller would exercise his power to divide the application. Section 16(3) empowers the Controller to ensure that the claims of the parent and divisional application do not consist of claims of the same scope, i.e., the Controller* *is bound to see that the divisional application must not claim the same claims of the parent application*."

"*Therefore, in order to become eligible as a divisional application u/s 16, it is primarily essential that the parent application out of which the divisional application is filed should disclose more than one invention and not just the same invention*."

Finally, the Controller refused the divisional application by stating that "*In the present case, there is no objection on plurality or under Section 10(5) of the Act in the first examination report of the parent application. The applicant has also changed the nature of the claimed invention in the divisional application after filing amended claims which are neither part of the parent application nor of divisional application. Thus, if the applicant desires to file a divisional application for his invention, disclosure of more than one..... in the parent application is essential.* **The parent application, which was granted, did not contain any claims relating to a plurality of distinct inventions. Interestingly, no objection relating to the plurality of distinct inventions was raised in the First Examination Report (FER) with respect to the parent application**. *Instead, without complying with the requirements contained in the FER, the applicant filed the instant application as a divisional application on 15th September 2011. Having considered all the circumstances....., I hereby refuse to consider the instant application No. 7059/DELNP/2011 as a divisional application u/s 16 of the Act as the same has not been filed in accordance with the provisions of the Patents Act*".

The applicant's counsel challenged the order by the Controller stating that:

(i) Contrary to the decision by the Controller, section 16(1) envisages two circumstances, in which an applicant could file a divisional application, after having filed a parent application. The first is where the applicant does so *suo moto*, as is contemplated from the words "*if he so desires*". The counsel further states that "*it is only where the divisional application is based on an objection raised by the Controller that the objection has to be on the ground that the claims of the complete specification in the parent application relate to more than one invention*".

(ii) There is an error in the observation that the parent application did not contain any claims relating to the plurality of inventions.

The counsel for the Controller General of Patents relied on the cases discussed above namely *Boehringer Ingelheim International GMBH v. The Controller of Patents for "that a divisional application under Section 16 of the Act, has to be an application which arises from a parent application disclosing a "plurality of inventions". In Section 16(1), the phrase "the claims of the complete specification relate to more than one invention" makes this position clear*"**, ESCO Corporation v. Controller of Patents & Designs for** *"that a patent application can only be divided, if it claims more than 'one invention"*..................and concludes that *"if there is no objection on the ground of 'plurality of distinct inventions' ...., no divisional application is allowable*"**.**

The argument was mostly based on *""***plurality of inventions***" should clearly exist in the claims of the original parent application and within the scope of the specification of the parent application"*. However, it was then mentioned that *"........if the invention is not contained in the claims of the parent application, the divisional application cannot be permitted to be filed solely on the basis of disclosure made in the specification, in respect of alleged inventions*". Further "*If applicants are permitted to file such divisional applications on the basis of disclosure in the complete specification, without such inventions being claimed in parent applications, it would defeat the fundamental rule of patent law i.e., 'what is not claim is disclaimed*"".

The counsel of Controller General of Patents further stated Section 59 and mentioned that "*Sec 59 also makes it clear that amendments beyond the scope of the specification and claims would not be permissible and referred to* **Nippon A&L Inc. v. The Controller of Patents**"

Analysis by the High Court

- The court regretfully expressed the inability to agree with the view expressed in the judgment in *Boehringer Ingelheim.*

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- If the interpretation in Boehringer Ingelheim is to be accepted, then the provision of Section 16(1) is required to be rewritten as: A person who has made an application .... raised by the Controller**,** on the ground that the claims of the complete specification .... invention disclosed in the **claims** already filed in respect of the first mentioned application.

- The major changes in the above paragraph, when compared to the present Section 16(1), are the **addition of a comma** after the words "raised by the Controller" and the **replacement** of the words "**provisional or complete specification" with the word "claims**".

- The High Court envisaged two circumstances under Section 16(1) in which a divisional application may be filed, namely,

  i. A Divisional Application may be filed by the applicant of the parent application if he so desires

  ii. where the applicant seeks to remedy an objection raised by the Controller on the ground that the claims of the complete specification relate to more than one invention

- The court mentioned that "**if the applicant is seeking to file a Divisional Application to remedy of objection raised by the Controller, such an application would be maintainable only if the Controller's objection is on the ground that the claims of the complete specification related to more than one invention. If, however, the Divisional Application is being filed suo moto "if he so desires", this requirement, prima facie, does not apply**".

- The court further held that the above interpretation is in line with Article 4(G) of the Paris Convention. Article 4(G) also envisages two distinct circumstances in which a divisional application may be filed. **Article 4(G)(1) envisages such an application being filed on the FER revealing that the original application contains more than one invention. Article 4(G)(2) envisages suo moto filing of a Divisional Application by the parent applicant**.

- The court then referred to the Manual of the Patent Office Practice and Procedure in Clause 05.02.02 mentions that "Claims may not be included in the Provisional Specification" (in relation to Section 16(1)) and interprets that Section 16(1) of the Patents Act permits a divisional application to be filed even in respect of an invention disclosed in the provisional specification filed in respect of the parent application. If the requirement of plurality of inventions being **claimed** in the parent application were to apply, therefore, no divisional application could ever be filed where the parent application contains only provisional specifications, as provisional specifications are not to include claims. Since Section 16(1) permits divisional applications to be filed in respect of inventions disclosed in provisional or complete specifications in the parent application, the specification of the plurality of inventions in the claim can never be imperative.

- Finally, the court expressed the requirement of revisitation in **Boehringer Ingelheim.** Further, for the present case Syngenta Limited vs. Controller of Patents and Designs, the court refers the following questions for consideration by a Division Bench of this Court to be constituted by and subject to orders of the Chief Justice:

(i) Does the requirement of a plurality of inventions being contained in the parent application, for a Divisional Application to be maintainable, apply even where the Divisional Application is filed by the applicant *suo moto*, and not based on any objection raised by the Controller?

(ii) Assuming that the requirement of a plurality of inventions in the parent application *is* necessary for a Divisional Application to be maintainable, does the plurality of inventions have to be reflected in the *claims* in the parent application or is it sufficient if the plurality of inventions is reflected *in the disclosures in the complete specifications* accompanying the claims?

21. Non-Working of Patented Invention is a Ground to Refuse Injunction: Delhi High Court

Case: Enconcore N.V. vs Anjani Technoplast Ltd. & Anr. [CS(COMM) 382/2019 and CC(COMM) 27/2019]

Forum: High Court of Delhi

Order Dated: August 4, 2023

Issue: Whether the defendants infringed upon the registered patent which relates to “Folded Honeycomb and process for producing the same” of the plaintiff?

Judgment: Enconcore is a patent holder of Indian Patent no. 260709 (hereinafter referred to as IN'709), which relates to “Folded Honeycomb and process for producing the same”. Enconcore filed the suit seeking a permanent injunction restraining Anjani Technoplast Ltd and others from infringing its registered patent.

Enconcore’s patent is related to folded honeycombs formed by a plastic deformation without using any cuts. The honeycomb panel is used in insulation, soundproofing and various other applications. The corresponding patents have been granted in Europe, the US, Russia, Japan and China. Anjani Technoplast is engaged in the manufacturing and marketing of plastic products, special purpose machines, moulds, safety, and security equipment for defence, bulletproof jackets, helmets, anti-riot control equipment, shields etc.

Enconcore submitted that during the International Conference and Exhibition on Reinforced Plastics (ICERP) in April 2013, they came across the Honeycomb panel exhibited by Anjani Technoplast Ltd. Further, in February 2018, they again came across the infringing product by Anjani Technoplast Ltd. sold under the brand name HONCORZ.

Enconcore sent a legal notice to Anjani Technoplast Ltd in February 2018, another follow-up letter was sent on 15 March 2018. There was no reply from Anjani Technoplast Ltd, thus Enconcore conducted an investigation through a private investigator. The investigation report revealed that Anjani Technoplast Ltd was manufacturing a wide range of honeycomb panels with the main brand being 'HONCORZ'. After that Enconcore forwarded a sample of the product to the independent testing institute which confirmed that the product of Anjani Technoplast Ltd infringes the patent IN'709. Then a suit for injunction was filed by Enconcore. They were successful in getting an *ex-parte ad-interim* injunction order dated 29 July 2019 from the court.

By this order, the defendants were restrained from infringing the patent IN'709. The order was not complied with; thus, a contempt application was filed by Enconcore. The court then appointed a local commissioner. The local commissioner then submitted the reports on 7 August 2019 and 1 November 2019 along with the samples obtained from the premises of Anjani Technoplast Ltd. It is stated in the report of the local commissioner that the Ministry of Defence is one of the major customers of Anjani Technoplast Ltd. In reply to the plaint filed by Enconcore, Anjani Technoplast Ltd also filed a written statement and a counterclaim seeking revocation of patent IN'709 under section 64 of the Patents Act.

Enconcore submitted that they have licensed their honeycomb technology to various persons and companies globally. They have licensed the technology at a consideration of 4% of the invoice value and in cases where the parties want to keep the invoice value confidential, the license fee is 1 Euro per square meter of the honeycomb panel. It was also explained by Enconcore how their invention is advantageous over the prior art documents. Also, it was argued that the product of Anjani Technoplast Ltd is identical to the patented product.

Anjani Technoplast submitted that they are the sole manufacturer and supplier of pressurized containers for missiles, ammunition and sensitive equipment for the Ministry of Defence. It was also submitted by Anjani Technoplast that they are the only non-government supplier of Akash missiles, and they have entered into an exclusive agreement with the Ministry of Defence, DRDO, Bharat Dynamics Ltd. Also, Anjani Technoplast is engaged in research related to honeycomb technology. One of the arguments by Anjani Technoplast is that there was no action from Enconcore from 2013 to 2018, thus the plaint filed by them is time-barred.

The turnover of the company for the year 2017-2018 is INR 16.54 crores for containers which incorporate honeycomb panels/equipment. It was argued that the technology for the manufacture of honeycomb panels is entirely different from the patented technology.

The court observed that Enconcore has licensed its technology and they are not manufacturing honeycomb panels in India and the sale figure of their product is very minimal. Anjani Technoplast has been selling its product to the Ministry of Defence and other companies since 2012. The court has given due consideration to the fact that Enconcore is willing to license its technology and Anjani Technoplast is supplying products to the Ministry of Defence. Thus, the court opined that instead of an injunction, which would result in a complete stoppage of production, an interim arrangement is proposed by the court which would balance the interest of both the parties. The interim arrangements put in place by the court are as follows:

(a) Anjani Technoplast is permitted to manufacture the honeycomb panel for incorporation in containers or shelter homes supplied by the Ministry of Defence / Ministry of Home Affairs or any other governmental body.
(b) A complete account of sale shall be filed on a six-month basis, in which the quantum shall be mentioned in square meters.
(c) To safeguard the patentee's interest, Anjani Technoplast was directed to deposit a sum of INR 25 lakhs with the Court, within four weeks.
(d) To ascertain that missile containers do not contain more than 10 – 15% of the honeycomb panel, Bharat Dynamics Ltd is directed to nominate a Senior Scientist to inspect the product of Anjani Technoplast and shall submit the report within 6 weeks in a sealed cover.

While coming to this conclusion the court has relied on the decision rendered in *Franz Xaver Huemer v. New Yash Engineers* (AIR 1997 Delhi 79), where it was held that the non-user of the patent by the patentee is a ground for refusing injunction.

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22. Adhere to the Patent Rules or Else

Case: Akebia Therapeutics Inc. vs the Controller General of Patents, Design, Trademark and Geographical Indications [W.P.(C)-IPD 32/2023, CM 92/2023 & CM 93/2023]

Forum: High Court of Delhi

Judgment Dated: August 09, 2023

Issue: Whether the opponent's documents lacked affidavits, which are required as evidence under Rule 57 of the Patents Rules of 2003?

Judgment: The case pertains to a patent challenge filed in 2017 (Patent IN 287720) regarding "HIF-1α prolyl hydroxylase inhibitor compounds". The opponent initiated a post-grant opposition and submitted documents on September 24, 2018. The patentee responded with their Reply statement on January 15, 2019. Subsequently, the opponent then submitted a rejoinder and an Expert Affidavit on February 14, 2019. Further, on April 23, 2019, the patentee lodged a Miscellaneous Petition 1, raising objections regarding the Opponent's Affidavit. Additionally, on February 07, 2020, they filed a Miscellaneous Petition 2 to introduce additional evidence. The patentee stated in the petition that the post-grant opposition was based on insufficient evidence, wherein the post-grant opposition lodged against the patent, citing specific documents but lacking supportive evidence.

The petitioner, i.e. the patentee, contended that the documents lacked affidavits, a requirement stipulated in Rule 57 of the Patents Rules of 2003. They argued that this omission deprived them of the opportunity to respond with evidence, as allowed by Rule 58. The petitioner highlighted procedural deficiencies that compromised a fair assessment of the opposition.

The respondent, i.e. the opponent, while opposing the petitioner's post-grant patent, submitted documents as part of their opposition. They acknowledged that these documents lacked affidavits and did not meet the criteria for proper evidence as per Rule 57. However, they pointed out that the petitioner could seek additional evidence under Rule 60 but chose not to do so. The respondent submitted a rejoinder to the petitioner's reply

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statement, supported by an affidavit from Poonam Raghuvanshi. They argued that the procedural irregularities did not harm the petitioner, and remedies were available to address concerns regarding evidence.

Rule 57 mandates the submission of "evidence" alongside a post-grant opposition. Section 79 of the Indian Patents Act outlines the requirement for filing "evidence," specifying that this evidence must be presented through affidavits. Consequently, documents submitted without such affidavits do not qualify as "evidence" under Rule 57. The Court cited legal precedents *like Taylor v. Taylor (1875) 1 Ch D 426 and State of U.P. v. Singhara Singh (AIR 1964 SC 358)* to emphasise that when the law prescribes a particular procedure, it must be followed precisely or not. The Court also highlighted Rule 61, distinguishing between evidence submitted under Rules 57 to 60 and the documents referred to within that evidence.

Rule 58 necessitates the patentee to submit a "reply statement" accompanied by "evidence, if any," to support their case. Rule 59 requires the opponent to provide "further evidence" strictly related to the matters presented in the patentee's evidence. The Court clarified that Rule 59 should not be interpreted as the filing of a rejoinder.

The Court noted that the opponent initially needed to provide evidence with their opposition document. Subsequently, the patentee did not submit any evidence with their Reply statement. Consequently, the Petitioners argued that the opponent should not have been allowed to submit evidence (in the form of an Expert Affidavit) in response to the Reply statement. However, the opponent did submit an Expert Affidavit during the stage of Reply Evidence (Rule 59), along with a rejoinder to the Patentee's Reply. Following this, the patentee requested permission to present additional evidence under Rule 60.

While the Opposition Board, composed of three members and appointed by the Controller in post-grant oppositions, reviewed the opposition documents and the Reply statement, the Court invalidated the Opposition Board's recommendations, citing that the remaining prescribed evidence was yet to be submitted.

The Court stressed the utmost importance of strictly following the provisions of the Patents Rules, especially Rule 57, in both pre-and post-grant opposition scenarios. The Court highlighted the significant relevance and persuasive value of the recommendations put forth by the Opposition Board. This emphasis was drawn from a previous Supreme Court ruling in the *Cipla Ltd v. Union of India* case, which underscored the pivotal role these recommendations play in shaping decision-making processes. It emphasises the need for meticulous formulation to ensure fairness and procedural integrity. The Court also stressed that strict adherence to procedural rules is crucial to preventing unfair bias and ensuring an impartial and equitable process for all parties involved in patent opposition cases.

In conclusion, the Court directed that both the Expert Affidavit and the opposition documents be considered by the Opposition Board and the petitioners' Reply statement. Additionally, the patentee was granted the opportunity to submit further evidence, which the Board would also assess.

23. Leveraging Divisional Applications in India: Facts to be Considered

Case: Microsoft Technologies Licensing LLC vs The Assistant Controller of Patents and Designs [C.A.(COMM.IPD-PAT) 358 Of 2022]

Forum: High Court of Delhi

Order Dated: August 11, 2023

Issue: Whether the subject invention was patentable under Section 3(k) of the Patents Act, which deals with inventions related to computer programs?

Judgement: The Appellant/Applicant, *Microsoft Technology Licensing, LLC*, filed a divisional patent application bearing no. 8360/DELNP/2010 (hereinafter "divisional") dated 24th November 2010 and sought patent protection for "*System for Advanced Bi-directional Predictive Coding of Interlaced Video*". This divisional application stemmed from the parent Indian Patent application bearing no. 487/DELNP/2006 (hereinafter "parent"), which is a National Phase PCT Application filed on 30th January 2006. *T*he subject invention of the divisional pertains to a video compression technique which relates to techniques and tools for interlaced video coding and decoding. The Appellant originally submitted the parent application encompassing 183 claims, and after certain objections were highlighted in the First Examination Report (FER) dated 25th February 2010, claims 155-183 were removed from the parent application on 07th December 2010.

The Appellant thereafter initiated to file a divisional application for the subject invention comprising 29 claims (i.e. with the deleted claims 155-183 of the parent application). With regard to the divisional application, the Respondent issued a FER on 11th September 2017, where it was indicated that the divisional application did not introduce a unique invention, and consequently, the application failed to meet the criteria for a divisional application as stipulated under Section 16 of the Indian Patents Act, 1970. On 09th February 2018, a reply to the FER was filed by the Appellant to address the concerns raised in the FER. Subsequently, a hearing was scheduled on 17th September 2019 to address the objections, specifically under Sections 3(k) and 16 of the Act. Even during the hearing proceedings to address the objections related to Sections 16 and 3(k), the Controller remained unpersuaded. Consequently, the impugned order was issued from the Assistant Controller of Patents and Designs under Section 15 of the Act, leading to the refusal of the Appellant's divisional application.

Given the impugned order, the Appellant's counsel while acknowledging the precedent set by the Delhi High Court in ***Boehringer Ingelheim International GMBH v. The Controller of Patents and Anr.*** submitted that *the "Appellant's application is likely to succeed. This is because the subject of the divisional application has neither been encapsulated within the claims nor detailed in the specification of the parent application. Given the distinct nature of the divisional application's claims…the Appellant rightfully qualifies for the provisions under Section 16 of the Patents Act.*" On the other hand, the Respondent's counsel defending the impugned order argued by submitting a comparative tabulation provided by the Indian Patent Office.

The Respondent's counsel anchored her argument in the ***Boehringer Case,*** stressing the necessity for a "plurality of inventions" within the parent application's claims. Further, the Respondent's counsel argued that *"while the parent application encompasses multiple independent sets of claims, all centre around a method and a computer-readable medium containing executable instructions. Crucially, these independent sets converge towards a group of inventions, which collectively represent a 'single inventive concept' as stipulated under Section 10(5) of the Patents Act."* She contended that the submitted point fundamentally invalidates the eligibility of the divisional application. The Respondent's counsel further submitted that since no system or device claims were initially pursued within the parent application's 183 claims, the claims of the divisional application should be deemed abandoned.

The impugned order cited the following two grounds of rejection:

a) Claims made in the divisional application are not distinct from the claims of the parent application. Thus, the subject invention is not allowable under Section 16 of the Patents Act.

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b) The subject invention is not patentable under Section 3(k) of the Patents Act, being a computer program per se.

The High Court observed that the Respondent rejected the subject invention under Section 16 of the Act without supplying any substantial or coherent justification. The Court's central inquiry revolved around determining if the core of the subject invention, as presented in the divisional application, contravenes Section 16 of the Act.

The Court on the distinctness of claims was of the view that *"The Controller contends that claims 1 through 29 of this divisional application do not present a unique invention, suggesting that they merely mirror the parent application. To make such a determination, a detailed comparison of the claims from both applications is indispensable. The impugned order, however, seems to harbour an inconsistency."* The Court was furthermore of the view that, however, the exact labelling of the claims be it as method or system was of secondary importance to the court.

To facilitate the process of examination, the Court further encapsulated a side-by-side comparison of the independent claim 1 from both applications in the form of a table and the order stated the following:

"18. Claims are pivotal in defining the extent of protection that an invention receives. <u>Even if the foundational teachings or descriptions appear similar, as illustrated in the afore-noted table, it is the specific framing and content of the claims that truly differentiate one invention from another. The transformation of claim 155 from the parent application into the independent claim 1 of the divisional application underscores this distinction.</u> Consequently, the Controller's stance that the divisional application's claims are merely reiterations of the parent application lacks merit. Furthermore, the Respondent's reliance on the Boehringer (Supra) judgment is misguided…. <u>Given these considerations, deducing that the claims in the divisional application were previously disclosed in the parent application's claims is an erroneous conclusion.</u>"

"19. <u>The Controller has also failed to appreciate that Section 16 of the Patents Act permits voluntary filing of divisional application</u>s. The language of the statute makes it clear that a divisional application can be filed if the claims of the parent application relate to more than one

invention. This has also been observed in the case of Boehringer (Supra), wherein the concept of 'plurality of claims' has been discussed.... From the comparison, it is evident that while the subject matter of both applications revolves around video decoding, the modus operandi delineated in each is different. One is method-centric, emphasizing 'how' it is done; the other is system-centric, illuminating 'what' it does.

"20. Furthermore, the Court finds that the Controller has erroneously objected to the amendment of method claims 1-29 to systems claims 1-29 under section 16 of the Act. It is crucial to note that we are currently in the pre-grant stage, which is primarily governed by section 59(1) of the Patents Act. Given that the transition from method claims to system claims is encompassed within the complete specifications, such amendments are permissible, as held in ***Allergan INC v. The Controller of Patents****."*

The Court further held that from the foregoing analysis, it is evident that the Controller's conclusions are erroneous. Therefore, the Court concluded that:

"21. A divisional application by its very nature requires a delineation from its parent application. The table presented earlier, demonstrates a marked transition from method-oriented claims in the parent application to system-centric claims in the divisional one. While the divisional application's claims draw inspiration from the parent application, they undeniably embody different sets of claims. The objections under Section 16 of the Patents Act, are therefore not sustainable."

Concerning the objection regarding Section 3(k) of the Act, the Court held that "*Moreover, the claimed matter is a computer program per se stored in a computer-readable medium. Hence, the amended claims 1-29 are proscribed under section 3(k) of The Patent Act*." Further regarding objection 3(k), the Court was of the view that the Respondent's counsel was devoid of any reasoning and was unable to substantiate the ground during the hearing for disallowing the application under Section 3(k) of the Act, therefore, the Court remanded the matter on that aspect.

Directions of the Court

1) The impugned order dated 28th November 2019 was set aside.
2) Since there was no discussion on the requirements under Section 3(k) of the Act, therefore the matter was remanded to Respondent for re-examination of the divisional application on the objections on non-patentability under Section 3(k).
3) The divisional application for the subject invention was restored to its original number.
4) Before deciding the matter afresh, the Appellant shall be granted a hearing and the notice of such hearing must delineate the objection(s), if any.
5) The matter was to be decided within four months from the date of release of the judgement, on the issue of Section 3(k) of the Patents Act. The Appellant's divisional application shall be decided in light of the law discussed in the judgments of this Court in ***Ferid Allani v. Union of India and Ors.*** and ***Microsoft Corporation v. The Assistant Controller of Patents and Designs***.

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24. Regulatory Authority Necessary for Patent and Trademark Agents

Case: Saurav Chaudhary vs UOI [W.P.(C)-IPD 9/2023]

Forum: High Court of Delhi

Order Dated: September 1, 2023

Issue: Whether the petitioner can challenge the abandonment of its patent application number 201911031496 titled "Blind-Stitch Sewing Machine and Method of Blind Stitching" and restore the patent application?

Order: The Delhi High Court disposed of a writ petition W.P.(C)-IPD 9/2023, revolving around a patent matter which, beyond the immediate legal dispute, highlighted a more profound issue, i.e., the regulation of professionals within the sphere of intellectual property in India. Specifically, it has brought to the fore the crucial role of patent agents in the application process involving numerous deadlines. What distinguishes the patent agents from lawyers is that they do not come under the regulatory purview of the Bar Council of India or the Advocates' Act, 1961. This regulatory void assumes greater significance as the number of patent agents and trademark agents in India continues to increase.

This case prompts us to contemplate the international best practices in regulating patent and trademark agents, particularly drawing from the stringent measures implemented by The Chartered Institute of Patent Attorneys (CIPA) in the United Kingdom (UK). With its substantial investments in research and development (R&D) and high stakes in intellectual property matters, the UK serves as an exemplary jurisdiction that places a premium on professionalism and accountability in managing patent applications and related issues.

In India, the Office of the Controller General of Patents, Designs, and Trademarks (CGPDTM) has borne witness to a substantial upswing in patent and trademark filings over the past five years, underscoring the imperative need for a robust regulatory framework for agents operating within this domain. This article seeks to delve deeper into the case at hand, drawing from the best practices established by CIPA in the UK. In doing so, we aim to explore how India can adapt and learn from these practices to strengthen its regulatory framework for patent and trademark agents.

At the heart of this case is the pivotal role of patent agents. These professionals act as intermediaries between inventors and the patent office, facilitating the complex and often daunting patent application process. Their responsibilities encompass everything from drafting and filing patent applications to advising on patent strategy and prosecution. In essence, they are instrumental in helping inventors secure patent protection for their innovations. However, the fact that patent agents in India operate without the same regulatory oversight as lawyers raises some important questions. Who holds them accountable for their actions and decisions? How can we ensure that they adhere to the highest professional standards and meet the deadlines prescribed by intellectual property laws? These questions become even more pertinent in light of the increasing importance of intellectual property in today's business and innovation-driven world.

In India, the Office of the Controller General of Patents, Designs, and Trademarks (CGPDTM) has witnessed a remarkable surge in patent and trademark filings over the past five years. This surge highlights the growing importance of intellectual property in India's economy and innovation landscape. However, this growth also underscores the urgent need for a comprehensive regulatory framework for patent and trademark agents. Without such regulation, there is a risk that unscrupulous agents could take advantage of inventors, potentially causing them to lose the protection and recognition they deserve for their innovations. The recent case in the Delhi High Court serves as a wake-up call for India's intellectual property ecosystem. It compels us to reevaluate the regulation and supervision of trademark and patent agents. To safeguard the interests of inventors and promote innovation, India must take cues from international best practices, particularly those established by CIPA in the UK.

To conclude, the recent case in the Delhi High Court shines a spotlight on the pressing need for a robust regulatory framework for patent and trademark agents in India. Drawing inspiration from the stringent standards and practices set by CIPA in the UK, India can chart a course toward ensuring that patent and trademark agents adhere to the highest professional standards. The pivotal role of patent agents in facilitating patent applications cannot be overstated. As India's intellectual property landscape continues to expand, it is essential to establish measures that guarantee professionalism, accountability, and adherence to intellectual property laws. These measures will not only protect inventors but also foster innovation and safeguard intellectual property rights in an ever-evolving technological and legal landscape. By learning from the best practices of CIPA and adapting them to the Indian context, India can bridge the regulatory gap that currently exists in the field of intellectual property. Doing so can create a more equitable and secure environment for inventors and innovators to thrive.

25. Roche v DCGI: Delhi High Court on Rejection of Plaints and Doctrine of Passing Off

Case: F Hoffmann-La Roche & others vs Drugs Controller General of India & Others [CS(COMM) 540/2016, I.A. 6087/2016, I.A. 2699/2017 & I.A. 5639/2022]

Forum: High Court of Delhi

Order Dated: September 1, 2023

Issue: Whether the approvals granted by the Drugs Controller General of India (DCGI) to Cadila' and Hetero's drug for pre-clinical/ clinical trial protocols and marketing its drug claimed to be biosimilar version of Trastuzumab and Bevacizumab respectively are valid?

Order: The Plaintiffs/Roche are innovators of two cancer drugs 'Trastuzumab' (INN, short for International Non-Proprietary Name) with its brand names Herceptin as well as 'Bevacizumab' (INN) with its brand name Avastin. The plaintiffs' patent rights with respect to the reference drug Trastuzumab had lapsed in 2013, and the plaintiffs did not have a patent in India for the reference biologic Bevacizumab. In 2016, the plaintiff filed separate suits against the defendants (Cadila Healthcare Ltd. and Hetero Drugs Ltd.) seeking a declaration that approvals granted by the Drugs Controller General of India (DCGI) to Cadila' and Hetero's drug for pre-clinical/ clinical trial protocols and marketing its drug claimed to be biosimilar version of Trastuzumab and Bevacizumab respectively, be declared invalid.

The plaintiff also sought a permanent injunction restraining the defendants from representing its drugs as biosimilar versions of Trastuzumab and Bevacizumab, respectively. The drug regulator DCGI had also been made a party to respective suits, and the plaintiffs argued that the defendants had violated provisions of the Biosimilar Guidelines and the applicable laws (the Drugs Act/Rules).

In response to the suits filed by the plaintiffs, the defendants filed applications under Order VII Rule 11 CPC for rejection of the plaints on the following grounds –

(a) the plaints were barred by law on account of the failure of the plaintiffs to avail the remedy of appeal under Rule 122DC of the Drugs Rules;

(b) the plaints disclosed no cause of action, and the plaintiffs had no *locus standi* to institute the suits;

(c) competence of the drug regulatory authority, i.e., DCGI and its exercise of discretion, but it cannot be challenged in a Court of ordinary original civil jurisdiction since DCGI regulates the manufacture and marketing of biosimilar drugs in India under the Drugs Act and Drugs Rules, which are a complete code, with inbuilt mechanisms of regulation and remedies; and

(d) suit against Cadila is barred by Section 10 CPC on account of an earlier suit filed by it before the Bombay High Court.

On examining the defendants' applications, the Delhi HC observed that the applicants had invoked sub-rules (a) and (d) of Order VII Rule 11 as given under:

11. Rejection of plaint: *The plaint shall be rejected in the following cases:*

(a) where it does not disclose a cause of action;

(d) where the suit appears from the statement in the plaint to be barred by any law

Regarding whether any law barred the plaint, the High Court held that the remedy of appeal under Rule 122DC was not a path available to the innovators such as the plaintiffs. The said appeal was available only to the person/party before the regulator DCGI in the first instance and was directly aggrieved by the order of the Licensing Authority. The approvals granted in favour of biosimilars are not notified to the innovators of the drug. Also, as DCGI does not determine the rights of innovators at the time of granting approvals to new drug manufacturers, the **plaintiffs were entitled to file a civil suit** to protect their rights in relation to their drug Trastuzumab/ Bevacizumab, in the absence of any other alternative and efficacious remedy being available.

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The Delhi HC further added that "if in a given case (regulatory) approvals are questioned, then as observed by the Court in the Reliance suit, plaintiffs cannot be prevented from enforcing a right to enjoin the defendants till they accomplish the onerous task of establishing that the approvals for manufacturing, distributions and sales were in consonance with the biosimilar regime in the form of Drugs Act/Rules and Guidelines. In these circumstances, Civil Court's powers can be invoked to interdict the resultant consequences of impugned actions."

Regarding the cause of action, relying on judicial precedents set by the Supreme Court, the Delhi HC held that only averments in the plaints would be examined, and pleas taken by the defendants in defence would be wholly irrelevant at this stage. The High Court perused the plaints, and it held that the following **averments** by the plaintiffs **disclosed the cause of action**:

- The defendants' drugs have been approved for manufacturing and distribution by the DCGI without following the procedures and under the Drugs Act, Drugs Rules and Biosimilar Guidelines. Combining or skipping various phases of clinical trials is not permissible.

- Defendants claim similarity with plaintiffs' innovator drug Trastuzumab/Bevacizumab **without establishing bio-similarity** through appropriate tests and conditions under the applicable laws. In view of inherent differences in the compositions of alleged biosimilar drugs and innovators' biological drugs and inadequate testing, defendants' drugs should not have been approved, and they should be restrained from promoting and marketing their respective drugs.

- The impugned actions of defendants are classic textbook cases of **extended passing off** and amount to dilution of the formidable and globally known reputation and goodwill of the plaintiffs' innovator drugs, at the same time giving unfair and undue advantage to defendants; the potential deficiencies in the defendants' drugs will not only dilute and damage plaintiffs' reputation but will be detrimental to the public interest as the patients and the medical community will be misled into believing that the defendants' drugs,

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claimed to be biosimilar are associated with plaintiffs' world known innovator drugs.

- Without adequate testing and assessment pertaining to safety, efficacy, quality, and composition, using INNs is legally impermissible and adds to public confusion.

The HC further added that "it is the pleaded case of the plaintiffs that they are not asserting rights under the patent, which has expired in 2013 as also that plaintiffs have no objection to the manufacture and sale of the impugned drugs by Cadila and Hetero as long as they are not claimed to be biosimilar and/or the parties do not use the INN, in the absence of the alleged non-compliance with the applicable laws. Looking at the plaints, there are enough averments in the plaints which brings to fore cause of action on a mere demurrer and supported by documents filed with the plaints."

The HC finally rejected the defendants' applications by noting that "the facts in the present cases are completely different where the plaintiffs have no remedy under the concerned applicable laws and therefore, they cannot be precluded from invoking the ordinary civil jurisdiction of this Court."

26. Post Refusal Allowance of Claim Amendments

Case: W R Grace vs The Controller of Patents [C.A.(COMM.IPD-PAT) 5/2022 and I.A. 17000/2023]

Forum: High Court of Delhi

Order Dated: September 4, 2023

Issue:

- Whether the appellant was entitled to patent protection for "CRYSTALLINE FORM OF NICOTINAMIDE RIBOSIDE"?
- Whether the amended set of claims filed by the Appellant at this stage should be allowed, and if the amendments are allowed, whether the amended set of claims passes the test of patentability under Section 3(d) of the Act?

Order:

The Appellant filed a national phase patent application in India, seeking protection for "CRYSTALLINE FORM OF NICOTINAMIDE RIBOSIDE". The original claims were directed to a crystalline Form II of nicotinamide riboside chloride and a method of preparing the same. In the First Examination Report (FER), the Controller objected to Sections 3(d) by characterising the subject matter of the invention as falling under a "new form of known compounds and same process" along with the other objections, such as Sections 2(1)(ja), 3(e). The Appellant filed a reply to the FER and submitted an amended set of claims along with the explanation that crystalline Form II nicotinamide riboside chloride has very specific characteristics used to identify the crystalline form. For example, besides many beneficial physical characteristics, the crystalline Form II of nicotinamide riboside chloride has a particular powder X-ray diffraction pattern and a particular IR spectrum. In addition, the crystalline Form II nicotinamide riboside chloride can also be characterised by its differential scanning calorimetry thermogram. However, in the hearing notice, the Controller maintained the objection to Section 3(d) along with other objections. The Appellant filed a post-hearing written submission whereby the Appellant had amended previous claim 12 to define the polar solvent and all the essential parameters for performing the claimed method. The Appellant further submitted that the subject matter of the impugned patent application is analogous to *Ind Swift Laboratories Ltd. v. Cadila Healthcare Ltd.*, where the Learned Controller has granted a patent to a crystalline form of Clopidogrel Besylate against a Section 3(d) challenge because the crystalline form had superior beneficial characteristics which greatly enhanced its commercial value, such as an increased shelf life.

However, the Controller of Patents refused the patent application on Section 3(d) ground, stating that the crystalline form of a known substance is the same compound unless the crystalline form of that compound differs significantly in properties with regard to efficacy. However, the Appellant submitted in the hearing submission that nicotinamide riboside chloride crystalline Form-II has higher thermodynamic stability than Crystallin Form-I and Crystallin form-II is less hygroscopic than Form-I as well as amorphous Form. However, the Controller held that patent applicants must prove the increase in therapeutic efficacy and just increased thermodynamic stability alone, and less hydroscopic property may not necessarily lead to an enhancement of therapeutic efficacy.

The Appellant filed an appeal against the refusal order of the Controller before the Hon'ble Delhi High Court. The Appellant also moved an application **I.A. 17000/2023** along with the appeal for allowing claim amendments post-refusal of the Application.

The issue before the Court was whether the amended set of claims filed by the Appellant at this stage should be allowed and if the amendments are allowed, whether the amended set of claims passes the test of patentability under Section 3(d) of the Act.

After hearing both parties and perusing the as-filed appeal documents, the Hon'ble Court observed that the impugned order dated July 29, 2021, contains the reasoning behind refusing the grant of the patent application. The Hon'ble Court did not delve deep into the contents of he Appeal filed by the Appellant but focused mainly on interim application **I.A. 17000/2023** filed by the Appellant. The Appellant, via said application, submitted an amended set of claims, where they had cancelled the claims directed to product claims and maintained the method aspect of preparing a Crystalline Form II of nicotinamide riboside chloride claims. The Court observed that the reasoning given in the impugned order is primarily focused on product claims. The deletion of product claims would completely change the nature of the patent application itself.

The Hon'ble Court perused the amended claims and found that the scope of the amended claims is within the overall scope of the patent application filed. The Hon'ble Court, after finding the scope of amended claims within the overall scope of the patent application filed, took the claims on record and passed an order directing the controller to examine the amended claims within 4 months from the order date. The Hon'ble Court further held that the impugned order would not come in the way of the amended claims being examined afresh by the Patent Office.

27. Interpreting "Computer Programme Per Se" for Computer-Related Inventions

Case: Raytheon Company vs Controller General of Patents and Designs [C.A.(COMM.IPD-PAT) 121/2022]

Forum: High Court of Delhi

Order Dated: September 15, 2023

Issue: Whether the Controller was right to refuse the patent application on the grounds of lack of inventive step and non-patentability of the subject matter under Section 3(k)?

Order: It was an appeal filed by the Appellant, Raytheon Company, to challenge the order issued by the Controller on 17th October 2019, wherein the application bearing number 4075/DELNP/2007 was refused under Section 15 of the Act. The Controller refused the application on the grounds of lack of inventive step and non-patentability of the subject matter under Section 3(k).

While the Hon'ble Court heard the arguments of both the parties on both grounds, the Court primarily discussed the grounds of non-patentability before arriving at their decision. The Appellant submitted that there is a fundamental error in the impugned order that the Controller referred to the outdated Computer Related Invention Guidelines (CRI) Guidelines of 2016 instead of the latest CRI Guidelines of 2017 for examining the patentability of the present application under Section 3(k).

The subject patent application relates to the domain of High-Performance Computing (HPC), which scientists and engineers use for modelling, simulating, and analysing complex physical or algorithmic phenomena. The Appellant stated that the subject patent application provides a technical advancement and technical contribution. The claims pertain to a technical method designed for scheduling in an HPC system, and technical method steps are made feasible through the incorporation of hardware components, such as nodes (processors), network host channel adapters, memory units, controllers, HPC servers, disk farms, memory controller hubs, buses, and more. To further augment their arguments, the Appellant cited the findings of *Ferid Allani Vs Union of India & Ors.* and *Microsoft Technology Licensing vs The Assistant Controller of Patents and Designs.*

On the other hand, the Respondent argued that since the invention relates to a computer program, the same is not liable to be granted as per Section 3(k). The Appellant's invention primarily consists of software, and there is no novel hardware along with the software. Even in their reply filed before the Court, the Controller emphasised that the method and system used in the subject patent application are generic in many algorithms and contain computationally intensive operations. Therefore, the patent application is directed towards implementing an algorithm and the objection under Section 3(k) of the Act is established and well-reasoned.

After Hearing both parties, the Court noted that High-Performance Computing, which is the present subject matter, involves the implementation of algorithms and software code with the associated hardware. The Court first dealt with the Appellant's ground of wrongful consideration of the CRI guidelines 2016 and identified the below portion of the impugned order as relevant.

"Admittedly, the matter does not relate to a mathematical or business method or algorithms. However, whether it pertains to the category titled computer programme per se is an inquiry which I would make in light of the facts pertinent to this case.

In the recently published guidelines for examining computer-related inventions, the test indicators to determine patentability are:

[1] Properly construe the claim and identify the actual contribution;

[2] If the contribution lies only in mathematical method, business method or algorithm, deny the claim;

[3) If the contribution lies in computer programs, check whether it is claimed in conjunction with novel hardware and proceed to other steps to determine patentability with respect to the invention. The computer program in itself is never patentable. If the contribution lies solely in the computer program, deny the claim. If the contribution lies in both the

computer programme as well as hardware, proceed to other steps of patentability.

From the above paragraph, it is clear that the actual contribution of the invention solely lies in software, and there is no specific hardware available in the claimed invention."

The Court acknowledged that the abovementioned process to examine the patentability of computer-related inventions is from the CRI Guidelines of 2016, which were later replaced by the CRI Guidelines of 2017. Among other things, the CRI Guidelines 2017 eliminated the requirement of novel hardware for the patentability of computer-related inventions. Therefore, it is now well-settled that the requirement of novel hardware is not to be insisted upon in applications relating to inventions of computer programs.

The Court also referred to the findings in the *Ferid Allani* case and *Microsoft* case to reaffirm the requirements for determining the patentability of computer-related inventions. The Court held that the CRI guidelines 2017 and the findings of at least the above two cases make it amply clear that the patent office needs to examine if there is a technical contribution or what is the technical effect generated by the invention as claimed. Accordingly, in the present case, it needs to be examined whether the system sought to be patented reduces the period in scheduling job execution in the HPC system. The Court said that the requirement of novel hardware is a higher standard that lacks any law basis.

28. Delhi High Court Denies Interim Injunction to Vifor in FCM Patent Infringement Matter

Case: Vifor International Ltd. & Anr. vs Biological E Limited & Anr. [CS(COMM) 434/2023, I.A. 11567/2023]

Forum: High Court of Delhi

Order Dated: September 19, 2023

Issue: Whether Vifor International Ltd. & Anr is entitled to receive an injunction against Biological E Limited & Anr in the patent infringement case?

Order: The plaintiff, Vifor (International) Ltd., is a company based in Switzerland and is the patentee in respect of patent bearing number IN 221536 (hereinafter referred to as the 'Suit Patent'). Whereas plaintiff no. 2 is a company incorporated under the laws of India and is the exclusive sub-licensee of the plaintiff, Vifor International Ltd. As the sublicensee of Vifor, plaintiff no. 2 has the right to commercially exploit the suit patent of Vifor and the same is done under the brand name Encicarb (now sold under the brand names Ferium and Orofer FCM) in India.

Plaintiff Vifor International Ltd. Asserted to be a global leader in the fields of iron deficiency, iron deficiency anaemia, nephrology, and cardio-renal therapies. The patent in question, bearing number 221536, is titled "Water-Soluble Iron Carbohydrate Complex and a Process for Producing Water-Soluble Iron Carbohydrate Complex." Plaintiff's invention, known as FERRIC CARBOXYMALTOSE (referred to as "FCM"), is a product used for intravenous iron deficiency therapy. Consequently, the suit patent pertains to water-soluble iron carbohydrate complexes with an average molecular weight ranging from 80 to 400 kDA. These complexes consist of iron (ferric cation) and oxidised maltodextrins functioning as ligands. Importantly, claim 1 of the suit patents exclusively covers FCM itself.

The suit patent was filed in October 2003 and was granted in June 2008; the product was granted marketing approval in India in 2011, and the tenure of the suit patent expires in October 2023.

The defendants consist of a group of Indian companies, with defendant No.1 Biological E Limited & Anr. serving as the parent company of defendant No. 2. The plaintiffs also asserted that on June 7, 2023, the defendants sent a notice to plaintiff No. 1. In this notice, the defendants sought confirmation that they were not infringing upon the suit patent. Their argument is based on the assertion that they employ a distinct process that differs from the one described and protected by the suit patent.

It is stated by the plaintiffs that the defendants at the time of filing of the present suit had not launched their product in the market, and the plaintiffs had reasonable apprehension that the defendants intended to launch their product, and therefore, the suit had been filed.

The plaintiffs argued that the Suit Patent covers both the product and the process. They claim that even if the defendants use a different process to manufacture FCM, it still infringes the Suit Patent.

The plaintiffs asserted that the WHO assigned the International Non-proprietary Name (INN) FERRIC CARBOXYMALTOSE to their invention, indicating it's a unique product.

The defendants argued that the Suit Patent is a 'product-by-process' patent. They contended that their manufacturing process differs from the one claimed in the Suit Patent and, therefore, does not infringe. The defendants claimed they launched their product, INRONX, on May 31, 2023, and offered it for sale. They assert that their process is different from that of the plaintiffs.

The plaintiffs emphasised the strength of the suit patent, citing its acceptance in 57 jurisdictions worldwide and obtaining marketing approvals. The defendants argued that they had already launched their product in the market and that no presumption should be made in Favor of the plaintiffs because there was no pre-grant or post-grant opposition.

The Delhi High Court refused the temporary injunction requested by the plaintiffs, mainly because the defendants had already entered the market, and the suit patent is set to expire soon. Instead, the court ordered the defendants to maintain accounts of their manufacturing and sales of FCM until the suit patent's expiration in October 2023. The defendants were also prohibited from using a manufacturing process claimed by the plaintiffs in their patent.

29. Madras High Court Clarifies the Applicability of Sections 3(d) and 3(e) of the Indian Patents Act on Biochemical Substances

Case: Novozymes vs The Assistant Controller of Patents & Designs [(T) CMA (PT) No.33 of 2023 (OA/6/2017/PT/CHN)]

Forum: High Court of Judicature at Madras

Order Dated: September 20, 2023

Issue: Whether the Controller's decision of rejection of the appellant's patent application on the grounds that the claimed invention pertains to a known substance which is not patent-eligible under Section 3(d) and the composition claims pertains to a substance obtained by the mere admixture of ingredients and thus barred by Section 3(e) valid?

Order: Aggrieved by the Controller's order dated 15 November 2016 concerning patent application no. 5326/CHENP/208, Novozymes had filed an appeal under section 117 of the Act. Said application relates to phytase variants with improved thermostability. The Controller has refused the patent application on two grounds: (i) the claimed invention is a known substance which is not patent-eligible under section 3(d) of the Act, and (ii) the composition claims 8-11 fall within the scope of section 3(e) of the Act, because the composition is a substance obtained by the mere admixture of ingredients. The Controller has not rejected the claims as not an invention under section 2(1)(j) or that the disclosure is not defined as to work the invention. Thus, the claims of the patent application fulfil the criteria of patentability and enablement requirements as per the Act.

On the Controller's rejection of claims on the ground of non-patentable invention under section 3(d), the counsels for Novozymes based their contentions on three points:

(1) Section 3(d) of the Act applies only to pharmaceutical substances. This contention of Novozyme was supported by para 12 of the judgement of the Division bench of Madras High Court in Novartis Ag V. Union of India (Manu/TN/1263/2007), which concluded that the first limb of section 3(d) is referable only to the field of

pharmacology. They also placed reliance on paragraphs 81-82, 87-88 and 157 of the judgement of the Hon'ble Supreme Court in Novartis AG V. Union of India (2013) (6 SCC 1).

(2) The explanation to section 3(d) enumerates several derivatives of chemical substances, and after such enumeration, the generic expression "and other derivatives of known substance" is used. Novozyme contended that based on the principle of *ejusdem generis*, such generic expression should be limited to derivatives of chemical substances, and it should not be extended to biochemical substances such as phytase.

(3) Section 3(d) enables the grant of a patent for a new form of a known substance, provided such a unique form result in the enhancement of the known efficacy of that substance. Novozymes argued that in the present matter, the claimed invention enhances the thermostability of phytase. Such enhanced thermostability improves the overall effectiveness of the product. To substantiate this argument, example 8 and table 5 of the specification were referred to in which all the variants show an improvement factor (IF) in excess of one.

Further, for rejecting claims under section 3(e), Novozymes contended that section 3(e) does not apply unless the substance is obtained by a mere admixture of known ingredients. It was also argued that section 3(e) applies only to independent claims and not to dependent claims. As per Novozymes, claims 8-11 are dependent claims as the composition comprises at least one phytase of claim 1.

Controller's contentions:

(a) The Controller submitted that section 3(d) uses the expression "known substance" and not "pharmaceutical substance". Thus, the provision is not limited only to pharmaceutical products. Since phytase is a biochemical substance, it also falls within the scope of section 3(d).

(b) Regarding the explanation to section 3(d), the Controller argued that the expression "and other derivatives of known substance" also applies to variants of phytase because phytase and its variants are biochemical substances. Also, it was argued that nothing in the explanation limits the scope to synthesised chemicals only.

(c) Further, the Controller argued that enhancement of efficacy can be claimed only when it is demonstrated that the enzymatic activity of the phytase is enhanced by the claimed variants. The variant should exhibit greater efficacy in catalysing digestion by the end user of the substance.

(d) While justifying the rejection of claims under section 3(e), the Controller argued that the detailed particulars of ingredients other than phytase are not provided. The applicant must demonstrate that there is a synergy between the ingredients forming the composition and that the composition is more than the sum of its parts.

The first question answered by the court was whether the expression "known substance" in section 3(d) is confined to pharmaceutical substances, as argued by Novozymes. After careful analysis of relevant paragraphs of the Division bench judgement in the Novartis matter and in the Supreme court judgment, the court held that it does not follow from the two decisions that the provision only applies to pharmaceutical and agro-chemical substances and not to biochemical substances.

The court also held that the explanation to section 3(d) does not apply to the claimed invention. While coming to this conclusion, the court has carefully considered the principle of *ejusdem generis*. The court discussed that the explanation to section 3(d) incorporates a legal fiction by which all chemical derivatives of a known substance would be considered as the known substance unless such derivatives cross the hurdle or pass through the filter prescribed therein. The court held that the claimed invention did not fall within the scope of explanation as it qualified as a new form of a known substance even if it did not cross the hurdle prescribed in such an explanation.

While discussing the third point, "enhancement of efficacy", the court held that nothing in the text limits such enhancement to any specific type of efficacy. Also, the Supreme Court in Novartis matter has held that the test of efficacy would be different depending on the product's function, purpose, or utility. The court disagreed with the Controller's conclusion that the enhancement of the known efficacy should be limited to enhanced

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hydrolysis of phytate, resulting in improved breakdown of the indigestible form of phosphorous to a digestible form. The court instead held that increased thermostability precludes denaturation and enables production, storage and sale in pellet form; it enhances the known efficacy of the enzyme in aiding digestion.

Further, the court discussed whether even a marginal improvement in efficacy sufficed. The court observed that the provision only requires enhancement of known efficacy with no indication regarding the enhancement margin. The court held that the applicant has to establish a reasonable enhancement of efficacy to the satisfaction of the Controller, and reasonable enhancement may be defined as an enhancement that is material from an improvement of efficacy perspective. Thus, the court concluded that the claimed invention satisfies the requirement of enhancement of the known efficacy of phytase. Therefore, the court held that the Controller's order with respect to rejection of claims 1-7 under section 3(d) is set aside.

The court observed that nothing in the provision limits the application of the provision to a composition formed by the aggregation of known ingredients. The court noticed that the adjective "known" is used as a qualifier in sections 3(d), 3(f) and 3(p); however, the same is absent in section 3(e).

Further, the court also held that section 3(e) does not appear to be limited in its application to independent claims only. The court observed that the provision appears to exclude from patentability any composition claims for a substance that merely exhibits the aggregate properties of its constituents. The court disagrees with Novozyme's argument that the grant of composition claims would not expand the scope of the patent; however, by this composition claim, the applicant would be in a position to institute infringement proceedings against any person who infringes their patent. The court held that this contention does not appear to be correct regarding claim 9; also, the independent claim protects the patentee's rights against unauthorised use of the patented substance as an ingredient in a composition. Also, the court held that, in any event, a patent cannot be granted for a composition claim solely for this reason. Thus, the court upheld the Controller's decision that in the absence of evidence that the composition is more than the sum of its parts, claims 8-11 should not be granted.

Therefore, the appeal was partly allowed with respect to claims 1-7 and partly refused with respect to claims 8-11 and the direction was issued that the application shall proceed to grant on the modified terms.

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30. Patent Infringement Suit and Harvesting Machines

Case: Kubota Corporation vs Godabari Agro Machinery and Services India Private Limited & Ors. [CS(COMM) 655/2023 and I.A. 18407/2023-18412/2023]

Forum: High Court of Delhi

Judgment Dated: September 21, 2023

Issue: Whether the plaintiff has a valid suit for patent infringement, seeking enforcement of Patent nos. 249257, 294814, 312782, 354002 & 371938?

Judgment: The plaintiff submitted that the impugned product is built from components which infringe the suit Patents nos. 249257, 294814, 312782, 354002, and 371938 of the plaintiff. The suit patents relate to different components/parts of the Combined Harvester. All the five suit patents are stated to be embodied in the plaintiff's product 'Combined Harvester, which is manufactured and sold by the Plaintiff through its Indian subsidiary– Kubota Agricultural Machinery India Pvt. Ltd. under the brand name '**HARVES KING**'. Further, the plaintiff submitted that the market share in India with respect to its products is almost 35% to 40% in the financial years 2020 to 2022. The plaintiff claimed to have expended around Rs. 94 lakhs in advertising expenses for the financial year 2022.

Further, the plaintiff submitted that the Defendants' combined harvester under the name 'Ruilong Plus ++', is manufactured in China, is imported by defendant No.1. By infringing upon the plaintiff's suit patents, the Defendants are increasing their market share in the last three years. The plaintiff stated that sometime in May 2023, one of the plaintiff's investigators approached Defendant No. 1 for the purchase of the impugned product to be delivered in Delhi, and the same was confirmed by Defendant No. 1.

Thus, the cause of action has arisen within the jurisdiction of this Court, as impugned products are freely available for sale/purchase in Delhi. The plaintiff also submitted the investigator's affidavit dated 5 September 2023, deposing that the impugned products are being sold at a lesser price as compared to the plaintiff's patented products, thereby causing loss to the plaintiff. Further, the plaintiff argued that comparing the impugned products, which were purchased by the plaintiff, with the plaintiff's product would reveal that the Defendants infringe upon all the suit patents.

The plaintiff submitted comparison charts of various parts of the impugned products, demonstrating patent claims mapped with the impugned products of the Defendants. The plaintiff submitted that the plaintiff, being a market leader in agricultural machinery, is entitled to an injunction against the Defendants, owing to the novelty and inventive nature of the patented components of the Plaintiff's Combined Harvester.

Defendant No. 1 argued that until 2020, impugned products were being imported by defendant No.1 from Defendant No.2, and approximately 50 units of the impugned products were imported. However, thereafter, imports are being carried out through some other company based in China. Defendant No.3 submitted that the Plaintiff's Combined Harvester, which is the subject matter of the present suit, has been imported in India since 2016 and relied upon a bill of lading dated 27 March 2016.

The High Court appointed two experts to compare the impugned product components with the granted claims of the suit patents. The two experts were permitted to take photographs and videographs and were asked to submit their respective reports independently within two weeks after the execution of the inspection/commission. The Court directed that the two Experts, along with at least two technical experts on behalf of the plaintiff and one technical expert on behalf of each Defendant, shall accompany the appointed Experts for the inspection.

The Court directed the Defendants to mention the total quantity of the impugned products that have been imported to date, the details of the importers from where the imports are being imported, and relevant documents in reply. The Court also asked to inform quantum and sales figures of the impugned products imported and sold by the Defendants along with the documentary evidence thereof in reply. Defendant Nos. 2 & 3 were directed by the Court to inform the complete sales figures to date of the impugned products in India along with the documentary evidence thereof.

Further, the Court has asked Defendant Nos. 2 & 3 to continue maintaining the accounts of the imports of the impugned products and file the same along with their replies, and thereafter, every quarter before the Court. The Court asked the plaintiff to file clear copies of the claims chart mapped within one week. The Court allowed the application seeking exemption instituting pre-litigation mediation in view of the orders passed in Chandra Kishore Chaurasia v. R A Perfumery Works Private Ltd, 2022/DHC/004454. Further, the suit has been listed for hearing on 24 January 2024.

31. Technological Reforms in Court Proceedings: Live Transcription of Evidence Allowed by Delhi High Court in Patent Lawsuit

Case: Communication Components Antena Inc. vs. Rosenberger Hochfrequenztechnik Gmbh & Co. Kg. & Ors [CS(COMM) 653/2019 and CC(COMM) 22/2022, I.A. 16988/2019, 7640/2022, 14592/2022, 15284/2023]

Forum: High Court of Delhi

Order Dated: September 22, 2023

Issue: Whether there is a case of patent infringement for the plaintiff's patent number IN240893 by the defendant?

Order:

This matter is a patent infringement action for patent number IN240893, which is granted in favour of the plaintiff and is valid till March 17, 2027. During the pendency of the suit, the defendants also filed a counterclaim seeking revocation of the patent under Section 104 of the Patents Act, 1970.

In this case, Justice Pratibha Singh invoked Rule 16 of the High Court of Delhi Rules Governing Patent Suits, 2022, which states that the Court can proceed with summary adjudication to expedite the matter if the patent has a less than 5-year term left. The other conditions, as per Rule 16, where the Court can opt for summary adjudication, are when a certificate of validity of the patent is issued or upheld by the erstwhile Intellectual Property Appellate Board (IPAB), any High Court, or the Supreme Court; or if the Defendant is a repeated infringer of the same or related Patent; or if the validity of the Patent is admitted and only infringement is denied. In this case, since the patent term expires in 2027, which is less than 5 years, the Court proceeded with the summary adjudication.

Accordingly, the Court issued various directions to facilitate the expeditious proceedings. For example, the Court restricted the duration of the cross-examination of the technical witness of each party to one and a half hours.

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Similarly, the Court restricted the duration of the cross-examination of the non-technical witness to one hour. This reflects the Court's intention to proceed with a systematic and time-efficient approach to concluding the matter in a reasonable time.

One prominent direction the Court issued in this case was that the evidence presented during the trial should be recorded before the Court, allowing the live transcription of the same. The Court directed the plaintiff to engage the transcription agency. The Court also directed that the cost estimate for the transcription shall be exchanged between the parties, and both parties shall bear the final cost. The Court also allowed the presence of up to 2 personnel from the transcription agency in the Court to perform the live transcription of the proceedings.

32. Madras High Court Explains Scope of Non-Patentable Diagnostic Methods under Patents Act

Case: The Chinese University of Hong Kong and Anr. vs The Assistant Controller of Patent and Designs [CMA (PT) No.14 of 2023]

Forum: High Court of Madras

Order Dated: October 12, 2023

Issue: Whether the claimed method for determining fetal DNA concentration falls within the scope of patentable subject matter?

Order: The Applicants applied for a patent titled "*Fetal Genomic Analysis From a Maternal Biological Sample*". The National Phase Application No. 4812/CHENP/2012 was filed on 01 June 2012, with 44 claims in the First Examination Report (FER), and the claims were objected to under Sections 2(1)(j), 2(1)(ja), 3(i) and 10(5) of the Patents Act. While filing a response to the FER, claims 1-33 were deleted, and amended claims 1-12 were submitted. The amended claims are related to a method of determining a fractional concentration of fetal DNA in a biological sample taken from a pregnant female.

The applicants contended that the determination of the foetal fraction does not diagnose a disease, and thus, the claims do not fall under the purview of Section 3(i). However, the Controller, while refusing the claims under Section 3(i), relied on para [0007] of the as-filed specification, which, as per the Controller, states that the process is for diagnosing that the foetus is suffering from genetic or other disease.

The counsel for the applicant argued before the High Court that the object and purpose of the amendment to Section 3(i) is to prevent the grant of patents to methods of diagnosis performed by a medical doctor. The counsel's argument was based on the communication from the Indian Permanent Mission to the Negotiating Group on TRIPS. Thus, the counsel contended that Section 3(i) should be construed as limited to diagnostic methods practised on the human body.

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The principle of interpretation, *noscitur a sociis*, was also relied on and argued that "diagnostic" should be interpreted by taking into account the words with which it is associated in the provision. The expression "other treatment of human beings" and "to render them free of disease" should be considered. Thus, a method would qualify as diagnostic only if it is intended for treating human beings to render them free of disease.

The counsel also argued for the applicant that the claimed process is an "in-vitro" analysis method. Thus, it does not fall under the purview of Section 3(i). The counsel relied on para 08.03.06.08 of the Manual of Patent Practice and Procedure, which states that the methods of diagnosis practised on human and animal bodies are not patentable. Thus, this indicates that diagnosis undertaken in vitro is patent-eligible.

To support the argument, the Enlarged Board of Appeal (the EBoA) order in case No. G 0001/04 was referred by the counsel for the applicant. The EBoA had provided that a method is not patentable only if the following four method steps are carried out:

(i) the examination phase involving the collection of data,

(ii) the comparison of such data with standard/ reference values,

(iii) the finding of any significant deviation, i.e., a symptom, during the comparison and

(iv) the attribution of the deviation to a particular clinical picture, i.e. the deductive medical or veterinary decision phase.

Thus, it was argued that step four is not carried out in the claimed process. Therefore, the claims do not fall under the purview of Section 3(i).

The High Court also appointed an *amicus curiae* to assist the Court in understanding the issue better. The amicus curiae submitted that Section 3(i) was amended by Act 38 of 2002. As per him, the amendment in the provision contains a drafting error in the nature of *casus omissus*. Thus, per him, the first limb of Section 3(i) should be read as "any process for the medical, surgical, curative, prophylactic diagnostic, therapeutic or other methods for treatment of human beings." The amicus curiae also referred to the communication from the Indian Permanent Mission to the Negotiating Group on TRIPS. He submitted that the diagnostic method is ineligible for a patent when practised on the human body. This proposal from India is inspired by Article 52(4) of the European Patent Convention 1973. However, this proposal did not find a place in the final Article 27(3)(a) of the TRIPS.

The *amicus curiae* also traced the evolution of these exclusions from patentability. He submitted that the Ayyangar Committee Report of 1959 and the Patent Bill did not contain these exclusions from patentability. He pointed out that these exclusions were justified on the grounds of non-vendibility or lack of industrial application and not on the grounds of public policy. The public policy aspect for patentability exclusion emerged later. He also submitted that public policy exclusion is not all-encompassing or comprehensive. Also, compulsory licensing is available to counterbalance pharmaceutical patents. Such counterbalance is unavailable with regard to the method of treatment of human beings.

With respect to the manual of the Indian Patent Office, he submitted that it is a long understanding that only the in vivo diagnostic process is excluded under Section 3(i). He also commented on the EBoA four-method requirement and stated that EBoA is conscious that such a requirement could result in clever patent claim drafting to circumvent patent exclusion. Thus, he submitted that the Technical Board of Appeal only grants patents if the claimed invention does not point unambiguously to a clinical diagnosis.

The counsel for the central government, while defending the order of the Assistant Controller of Patents, argued that para [0007] of the filed specification mentions that the claimed invention enables the diagnosis of genetic disorders. Also, it was argued that Section 3(i) does not indicate that the diagnostic process should be limited to in vivo diagnosis. The counsel argued that if the intention of the legislature were to exclude in vitro diagnosis, the provision would have contained such indication.

For the EBoA four-method test, the counsel for the central government contended that the opinion is not binding on the Court. The counsel also referred to the Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994 (the PNDT Act) and argued that sex determination is feasible through the claimed process. Therefore, the grant of this patent would be in the teeth of the above statute.

The Court then carefully analysed the submission made by all the parties. Section 3(i) has two limbs: (a) any process for the medicinal, surgical, curative, prophylactic diagnostic, therapeutic or other treatment of human beings, or (b) any process for a similar treatment of animals to render them free of disease or to increase their economic value or that of their products. The Court held that each limb of Section 3(i) is distinct and self-contained. Based on the analysis of the scope of two limbs, the Court held that it is incorrect to confine the word "diagnostic" to treating human beings to render them free from disease.

The Court stated that the expression "any process for the diagnostic treatment of human beings" does not make complete sense, unlike in the case of the forms of treatment mentioned in Section 3(i). Thus, the Court proposed to make sense of the expression "any process for the diagnostic…. or other treatment of human beings" with reference to both text and immediate context.

The Court explained that the word "diagnostic" should be limited to a diagnostic process that discloses pathology for the treatment of human beings. The Court stated that nothing in the language of section 3 or any other provision of the Patents Act led to the inference that the expression "diagnostic" should be confined to *in vivo* diagnosis. The Court carefully examined the amendments to the Patents Act, the discussion regarding the TRIPS agreement and the provisions of the TRIPS. The Court concluded that the *travaux preparatoires* of Article 27(3)(a) also do not support exempting in vitro diagnostic processes or methods from patent ineligibility.

The Court held that the word "diagnostic" should receive a construction that is in consonance with the text and context. Justice Senthilkumar Ramamoorthy proposed to examine the claims in the context of the complete specification to determine whether it specifies a process for making a diagnosis for treatment. It was further held that such determination

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should be made by assuming that a person skilled in the art, including a medical doctor, examines the claims and complete specifications. As per the test prescribed, if it is concluded that a diagnostic for treatment may be made, even if such diagnosis is not definitive, the subject matter will be patent ineligible. However, if a diagnosis for treatment cannot be made, it would be patent-eligible.

While answering the issues related to the exclusion of certain types of tests from the ambit of the expression "diagnostic" in Section 3(i), it was held by the Court that the embodiment of a claimed invention is relevant only to ascertain whether the claimed invention per se points to a diagnosis for treatment. If such a process does not cover pathology for any reason, it would not be diagnostic for the purposes of Section 3(i).

The Court also discussed the difference between screening and diagnosis and held that if a screening test is capable of identifying the existence or non-existence of a disease, disorder or condition and/or the site, extent, severity or other aspects thereof for treatment of human beings, irrespective of whether the person concerned is symptomatic or asymptomatic, such screening test would qualify as a diagnostic test. The Court also observed that the line or demarcation between diagnostic and non-diagnostic tests may not always be bright and could be blurred on occasion. In such cases, the Court advised the Controllers to determine on a case–by–case basis into which category the claimed invention falls.

Based on the above analysis, the Court held that the claimed invention is *per se* incapable of identifying the existence or otherwise of a disease, disorder or condition, and further testing would be required for such a purpose. The Court held that the determination of foetal fraction is related to "diagnosis" but is not "diagnostic". While concluding the order, the Court indicated that in order to incentivise inventors in these cutting-edge areas, albeit without compromising on the public policy exclusion from patent eligibility of methods of diagnosis and treatment adopted by medical doctors, there is a case to consider options such as restricting the scope of the expression “diagnostic" in section 3(i) to in vivo processes and counterbalancing by providing for compulsory licensing.

33. Maharaja Unsuccessful in Patent Infringement Matter

Case: Strix Ltd vs Maharaja Appliances Limited [CS(COMM) 403/2018 and CC 54/2009]

Forum: High Court of Delhi

Order Dated: October 20, 2023

Issue: Whether the defendant Maharaja Appliances Limited is infringing upon the Intellectual Property Rights of the plaintiff Strix Limited?

Order: The Plaintiff - Strix Limited, filed the present suit in 2009 for a permanent injunction restraining infringement of patent IN 192511/95, delivery up, rendition of accounts and damages. Defendant - Maharaja Appliances Limited has filed a counterclaim challenging the validity of Plaintiff's patent IN 192511/95 and seeking revocation of the Patent.

The Plaintiff is a company incorporated in the Isle of Man in 1951 as Castletown Thermostats. The name was changed to Strix Limited in 1981. The Plaintiff is engaged in the manufacture and sale of temperature control systems and cordless interfaces for kettles, jugs and a wide range of water-boiling appliances. It claims to be a leading manufacturer of the same, selling to over 40 countries at the time of filing of the present suit. It is stated that Plaintiff's temperature control systems are used over one billion times a day worldwide by over 20 per cent of the population.

The Plaintiff applied for a patent in India through the PCT route and was granted Patent No. 192511/95 in respect of 'Liquid heating Vessels' on 11th November 2005 (hereinafter, 'Suit Patent') claiming priority from a U.K Application dated June 9, 1994. The Suit Patent is valid for a period of twenty years from the date of application, i.e., till 8th June 2015. The case of the Plaintiff is that the invention in the Suit Patent has been used by the Plaintiff since 2002.

It is submitted by the Plaintiff that the patented control has been sold by it to the Defendant itself in the years 2005-2006. The Plaintiff claims to have then come across a kettle under the name 'Maharaja Whiteline Model No.

EK 172' had an identical temperature control system. Plaintiff issued a cease and desist notice to Defendant on 27th September 2007, which was replied to by Defendant through its advocate and the requisition of Plaintiff was not accepted and acceded to.

By filing a counterclaim, the defendant contended that primarily, it was importing heating elements from the plaintiff, but due to their inferior quality, a switch was made to a Chinese company under the bonafide belief that the company had a patent as well.

The Defendant relies upon the following three documents to allege that the Suit Patent is invalid and is liable to be revoked:

i) US Patent bearing no. 6818866 titled "Liquid Heating Vessels".
ii) PCT Application bearing publication no. WO/1999/029140 titled "Heating Element for a Liquid Heating Vessels".
iii) European Patent bearing publication no. EP0469758A2 titled "Apparatus for Controlling Heating of Liquid".

The Court disregarded the defendant's challenge to the validity of the suit patent. It was observed that out of the three documents, two (US Patent'866 and PCT Application bearing publication no. WO/1999/029140) did not constitute valid prior art.

The Court opined that the suit patent may have achieved the same result as the third document (European Patent EP0469758), but it did so through a different mechanism. Thus, the European patent is considered to be different from the suit patent.

The court also rejected the defendant's claim of non-working of the suit patent in India, holding that the plaintiff had commercially exploited its patent by marketing in India.

Further, The Court relied on the landmark decision of the UK Court of Appeal in Gerber Garment Technology Inc. v Lectra Systems Ltd. [1997] R.P.C. 443, if the patentee cannot prove the loss, it is permissible to assess the same on a reasonable royalty basis. Where the patentee is a manufacturer of the patented product, the reasonable profit that the patentee would have earned if the infringing products were, in fact, sold by the patentee would be a reasonable measure. It is further clarified that once the infringement is established, the Court can infer that reasonable invasion of the patentee's monopoly would cause damage to the patentee, and accordingly, a fair and reasonable measure can be adopted by the Court for computing the damages.

The court passed a decree for Rs.81,44,925/- in the plaintiff's favour, stating that in commercial matters, actual costs must be awarded. The Court did not grant a permanent injunction as the life of the patent has come to an end.

34. Proposals to Amend Patent Application Not an Admission of Invention Being Non-Novel

Case: Biotron Limited vs The Controller General of Patents [IPDPTA 61 of 2023]

Forum: High Court of Calcutta

Order Dated: November 17, 2023

Issue: Whether the rejection of the appellant's patent application by the Assistant Controller was justified?

Order: The present appeal was filed by the applicant under section 117A of The Patents Act, 1970, against an order passed by the Assistant Controller of Patents and Designs dated 17 September 2015 rejecting the appellant's Patent Application No. 290/KOLNP/2008.

The appellant filed a patent application related to novel compositions of compounds claimed to be effective in treating and preventing viral infections. It is alleged that the subject invention is potent against HIV, HCV, and Dengue virus. It is also contended that compounds with cyclic substitutions are better than compounds with non-cyclic substituents. Thus, the subject invention is technically advanced as compared to other known compounds.

The assistant controller of patents and design rejected the application on the grounds of a lack of inventive steps with reference to prior arts D1-D5. Thereafter, a response with amendments was submitted by the appellant. Being dissatisfied with the response, the respondent authorities provided the appellant with an opportunity for a hearing on 28 August 2015. Ultimately, the impugned order was passed on *17 September 2015*, rejecting the patent application on the ground of a lack of inventive steps under sections 2(1)(j) and 2(1)(ja) of the Act, insufficient disclosure under section 10(4) of the Act and non-patentable subject matter under section 3(d) of the Act.

The appellant contended that the impugned order is erroneous insofar as it is based on a selective reading of the specifications of the subject invention.

The appellant also contended that all the prior arts were common in all other countries where the respective Patent Offices had granted patents to the appellant. Nevertheless, it is only the respondent authorities which have rejected the appellant's claim despite considering the same prior arts. It is also contended that the amended claims were restricted to acyl guanidines with a naphthyl substitution having cyclic group substitutions and that there was comparative scientific data relied on by the appellant to demonstrate that the compounds with cyclic substitutions have better activity than compounds with acyclic substitutions.

In respect of the objections raised under section 3(d) of the Act, the appellant contends that the compounds in the subject invention are not derivatives of the compounds of the prior art as has been recorded in the impugned order. The impugned order does not indicate how a new form of a known substance can be derived from a known substance and also how the known substance does not differ significantly in properties with regard to efficacy. It is also claimed that the compounds in the subject invention are novel and are not derivatives of a known substance.

It is further contended that in view of section 10(4) of the Act, the appellant has disclosed the best methods for working on the subject invention. The specifications provided by the appellant enable the preparation of the compounds and also provide in vitro data regarding the activity of the claimed compounds as well as compounds with non-claimed acyclic substituents, which amount to comparative data. It is further contended that the proposal by the appellant to delete compounds with non-cyclic substitutions does not amount to self-admission of lack of inventive steps. Such amendments are permissible under section 59(1) of the Act by way of disclaimer, correction, or explanation.

The Respondent contended that the appellant failed to demonstrate that the subject invention involved any inventive step or technical advancement. The compounds in the subject invention are the same as those in the prior art except for the fact that the position of bonding of the substituents is different. The amendments carried out by the appellant also do not demonstrate any enhanced efficacy as contemplated under section 3(d) of the Act. It is further contended by the Respondent that in terms of section 10(4) of the Act, the appellant ought to have disclosed the best method for performing the invention, which is only known to the appellant for which the appellant claims protection. It was also the duty of the appellant to provide clinical comparative data which would demonstrate that the said application compound was more efficacious and inventive than the prior arts. The Respondent also contends that repeated amendments were carried out, resulting in a change of the original product.

The court noted that Drug development is a lengthy and complex process. Once new classes of compounds have been found and shown to have some degree of activity, a patent application is filed to secure the priority date, following which further screening is required before a compound ultimately makes its way to clinical trials. Moreover, the finding that amongst the five prior arts cited, prior art D1 & D2 are identical and similar to the subject invention is also without basis and untenable.

Moreover, although the appellant's claim has been rejected on the ground of non-patentability under section 3(d) of the Act, the impugned order does not indicate the known substance or its known efficacy or the new form of the known substance in arriving at such a conclusion. Section 3(d) of the Act requires the existence of a "known compound" and not "known compounds". The impugned order does not deal with this aspect of the matter.

Section 8 of the Act mandates that an applicant is to file all necessary details and undertakings in respect of the same or substantially the same invention pending prosecution in another Patent Office in any other country outside India.

The court ordered that the impugned order dated 17 September 2015 is unsustainable and should be set aside. The matter is remanded to the respondent authorities to adjudicate the subject patent application afresh, including the question of patentability, after giving an opportunity of hearing to the appellant. It is made clear that any finding insofar as the merits of the case are concerned are prima facie and not binding. With the aforesaid directions and to the aforesaid extent, IPDPTA 61 of 2023 stands allowed.

35. Situs of the High Court in a Patent Appeal will be based on Appropriate Office

Case: Filo Edtech Inc vs Union of India & Anr. [C.A.(COMM.IPD-PAT) 30/2023]

Forum: High Court of Delhi

Order Dated: November 21, 2023

Issue: Whether the seat of the High Court for hearing an appeal against the decision of the Controller would be the High Court under whose territorial jurisdiction the Controller has delivered the order, or would it be the High Court under whose territorial jurisdiction the appropriate office lies?

Order: The Appellant in the above case filed an application for the grant of a patent for an invention titled "CONNECTING A TUTOR WITH A STUDENT" at the Mumbai Patent Office on February 04, 2022. The application was auto-allocated to an assistant controller of a patent located in Delhi for examination. The Controller issued a first examination report (FER) on the letterhead of the Mumbai Patent Office. Subsequently, a hearing notice was also issued by the same Controller on letterhead of the Delhi Patent Office and later on, a decision was passed by the same Controller refusing the grant of a patent. However, the refusal order did not include any office address from which it was issued. Aggrieved by the order of the Controller, the Appellant preferred an appeal before the Delhi High Court, which the Respondent opposed for lack of jurisdiction. The Respondent relied on the decision held in the case of *Dr. Reddys Laboratories v. Controller of Patents (295 (2022) DLT 591).*

Section 2(1)(i) of the Patents Act, 1970 (hereinafter "the Act") gives the relation of the High Court with respect to a State or Union Territory. Section 117A(2) of the Act states that an appeal shall lie to the High Court from any Controller's decision, order or direction. Rule 4 of the Patents Rules, 2003 (as amended) defines what is an appropriate office. The Appellant contended that a Controller disposed his application of Delhi office and, therefore, cause of action arises in Delhi if Section 117(A)(2) is conjointly read with 2(1)(i) of the Act and thus the seat of the High Court should be Delhi High Court. The Respondent opposed this line of argument and submitted that the seat of the High Court must be based on the appropriate office where the application was initially filed as decided in detail by a coordinate bench of Delhi High Court in *the Dr. Reddy's Laboratories case.*

The Hon'ble Court, after hearing both parties, held that it is well settled that decisions even of Coordinate Benches are to be regarded as binding in nature, provided the Bench does not fully subscribe to the view of the Coordinate Benches. The Coordinate Bench in *Dr Reddy Laboratories* has taken the view that the seat of the High Court will be based on the territorial jurisdiction of the appropriate office. The question before the Hon'ble Court was whether the decision held in *Dr. Reddy's Laboratories* requires reconsideration by a larger bench. The facts in the Coordinate Bench in holding that the situs of the High Court, which would hear the appeal under Section 117A(2), would also be determined by the location of the "appropriate office" were similar to the present appeal.

The Hon'ble Court held that Rule 4(1)(i) of the Act specifically states that the appropriate office of the Patent Office shall, "**for all proceedings under the Act**", be the Patent Office where the application seeking grant of patent is initially filed. Sub-rule (2) of Rule 4 further stipulates that the appropriate office, once decided on in respect to any proceedings under the Act, shall ordinarily not be changed. The Hon'ble Court emphasised the phrase "**for all proceedings under the Act**," which would mean all proceedings from the stage of filing of the application before the Patent Office under Section 7 till the filing of the appeal before the High Court under Section 117A.

All these proceedings are proceedings under the Patents Act. In respect of all such proceedings, therefore, the Hon'ble Court held that the appropriate office would statutorily be the Mumbai Patent Office for the purposes of the case at hand. Thus, the Hon'ble Court agreed with the view of the Coordinate Bench in *Dr. Reddy's Laboratories.*

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36. Evidence for Enhanced Therapeutic Efficacy Must Be Submitted Before Final Hearing

Case: Ischemix LLC vs Controller of Patents [C.A.(COMM.IPD-PAT) 33/2022 & I.A. 23186/2023]

Forum: High Court of Delhi

Order Dated: November 22, 2023

Issue: Whether the refusal order passed by the Intellectual Property Office (IPO) under Section 15 of the Patents Act was justified?

Order: This case was an appeal filed against a refusal order passed by the IPO under Section 15 of the Patents Act in an application bearing number 9739/DELNP/2011 titled "*Methods for treating Ischemia and Ischemia-Reperfusion Injury*." The invention relates to an isomer of a known compound, and the primary ground taken by the IPO to refuse the application was that the invention falls within the purview of Section 3(d).

The Appellant argued that the present application shows substantial enhancement of efficacy, and Section 3(d) is therefore not applicable in this case. The appellant further submitted that the therapeutic efficacy of the isomer has been demonstrated by providing data relating to in-vitro and in-vivo studies and clinical trials. In addition, reports of two experts to support the plea for enhanced therapeutic efficacy were also placed on record by the appellant.

On the other hand, the Controller who examined the application appeared virtually before the Court and submitted that while the appellant did provide some data to support the claim of enhanced efficacy, they did not show how the same constituted therapeutic efficacy. The respondent further clarified that when a substance cures a disease in a better way than the existing substances, the substance is said to have a better effect for curing the disease, and it can be termed as showing enhanced therapeutic efficacy.

After hearing both parties, the Court acknowledged that various tables have indeed been included in the specification, providing comparative data relating to isomers that are sought to be patented. However, the Court asked the appellant to submit a short note to explain how the provided data indicates better therapeutic efficacy of the subject compound. The appellant, therefore, filed the short note, and after reviewing the note, the Controller admitted that it provides a clear and definite explanation of how the appellant wishes to substantiate its claim of enhanced therapeutic efficacy. The Controller further informed the Court that this was not submitted during the prosecution of the application. However, the Controller agreed to reconsider and reexamine the patent application.

Regarding the applicability of Section 3(d), the Court cited the Hon'ble Supreme Court's judgement in *the Novartis vs Cipla* case to highlight the requirement for demonstrating therapeutic efficacy. The Court stated that the Applicant must ensure that comparative tables and a clear explanation of the manner that depicts significant enhancement by the new form of the known substance in therapeutic efficacy are placed before the IPO during the prosecution of the application. The same could be in the form of comparative tables, *in-vitro* and *in-vivo* data, and clinical trial data.

The Court also cited the judgement in *DS Biopharma Limited v. The Controller of Patents and Designs and Anr.*, wherein the Court had given certain directions for the applicants to overcome the Section 3(d) objection, notably that the appellant may produce efficacy data and support its submission as to how Section 3(d) is not applicable.

The Court also remarked that in inventions of the present nature, the patent specification ought to contain some data and results of lab experiments to demonstrate the enhancement of efficacy of the subject invention. If any additional data becomes available after the filing of the application, it shall also be submitted before the IPO by the applicant, at least prior to the date of the final Hearing. The Court also observed that the applicants usually present such data only in the Hearing submission, without discussing the data with the Controller during the Hearing. This may potentially lead to a situation, as in the present case, where the IPO may have overlooked the data. There is also the possibility of the data not being completely understandable to the Controller if it is directly presented in the Hearing submission and not explained by the applicant during the Hearing.

For the present invention, the Court remarked that since this matter is technical in nature, the note on the enhanced therapeutic efficacy ought to have been submitted and explained by the Applicant during the Hearing.

However, since the IPO agreed to re-examine the patent application based on the latest note submitted by the applicant before the Court, the Court did not further discuss the merits of the appeal.

The Court also directed that since a fresh Hearing would be scheduled by the IPO, any data filed after the priority date of the patent application would be permissible provided the same has a basis in the complete specification. This requirement is in line with the decision in *AstraZeneca AB and Ors. v. Intas Pharmaceuticals Limited and Ors.*

Considering the *AstraZeneca case***,** the Court also reiterated that one of the only exceptions to this requirement could be that there were ongoing clinical trials for the new form of the known substance at the time of filing of the patent application. The Court also cited the judgement of the Calcutta High Court in *Oyster Point Pharma Inc. v. The Controller of Patents and Designs*, where the Calcutta High Court acknowledged the inherent complexities and protracted nature of the process of drug development. The Calcutta High Court had noted that empirical evidence of a drug's efficacy may not be available at the time of filing of the patent application, primarily because such data typically emerges only after the execution of clinical trials.

The Court, therefore, in the present case, also allowed the submission of the clinical trial data only to support the stand of the applicant in the specification for demonstrating a significant enhancement of therapeutic efficacy. Further, considering that the application was filed more than a decade back, the Court directed the conclusion of the re-examination and the final adjudication within three months from the first date of hearing before the IPO. Further, the Court directed that the date of hearing before the IPO be fixed within a period of four weeks from the date of this judgment.

37. Patent Office Must Raise Written Objections that Come up During Hearing

Case: Nripendra Kashyap Esco Corporation vs Asstt. Controller of Patents and Designs [C.A.(COMM.IPD-TM) 40/2022]

Forum: High Court of Delhi

Order Dated: November 24, 2023

Issue: Whether new objections can be introduced during a patent application hearing by the Asst. Controller of Patents and Designs without prior written communication to the applicant?

Order: This appeal was filed by applicant Nripendra Kashyap ESCO Corporation against the order dated March 20, 2017, passed by the Assistant Controller of Patents and Designs, rejecting Application No. 737/DELNP/2009 dated January 30, 2009 for grant of a patent in respect of an innovation titled "WEAR ASSEMBLY FOR THE DIGGING EDGE OF AN EXCAVATOR". The application was filed as a divisional application from patent Application No. 4703/DELNP/2005.

The appellant argued that the objection relating to a distinct invention was neither raised in the FER nor the Hearing notice. Whereas the respondent argued that though the specific objection to that effect may not have been raised in the FER or the hearing notice, it is a matter of standard practice that, at times, during the hearing that is granted consequent to the hearing notice, new objections are raised to which the patent applicant is then allowed to respond.

The court opined that such a procedure is not sustainable in law, and the objections must be restricted to those provided in writing to the patent applicant, whether in the FER or the hearing notice. The court took into consideration the scenario where additional objections may arise during the hearing. In that case, the patent office would be required to set out the said objections in writing and grant the patent applicant an opportunity to respond in writing thereto.

Thus, the court quashed and set aside the impugned order dated 20 March 2017. Application No. 737/DELNP/2009 is remanded to the Controller of Patents to assign the application to a competent Assistant Controller for de novo adjudication.

38. Madras HC Explains Section 39 for Patent of Addition Applications

Case: Selfdot Technologies (OPC) Pvt Ltd vs Controller General of Patents, Designs & Trade Marks [(T)CMA(PT)/61/2023 (OA/11/2021/PT/CHN)]

Forum: High Court of Delhi

Order Dated: November 28, 2023

Issue: Whether the rejection by the Controller of the Plaintiff's patent application on the grounds of contravention of Section 39 of the act was valid?

Order: In 2014, the appellant filed a patent application ("parent") in India. Thereafter, the parent application was filed as a PCT application, and a patent was granted in the US. Later, in 2018, the appellant filed a Continuation-in-Part (CIP, akin to the patent of addition under Indian law) application in the US without applying for and obtaining permission u/s 39 of the Act. After CIP filing in the US, a patent of addition application was also filed in India. The Controller rejected the said patent of addition application on the grounds of contravention of Section 39. Consequently, the appellant challenged the refusal order before Madras HC. The appellant contended that Section 39 does not apply to the patent of addition application because the parent application was first filed in India. The appellant also submitted that the alleged technical breach is not a contravention u/s 40. Per contra, the respondent argued that Section 39 would extend to a patent of addition application.

Traversing the legislative developments, the High Court noted that the scope of Section 39, prior to the 2005 amendment, was restricted to applications outside India for the grant of a patent for an invention relevant to defence purposes or related to atomic energy. By virtue of the 2005 amendment, the provision has been made applicable to inventions in all fields. The operative portion of Section 39(1) restrains a person resident in India from applying outside India for a patent grant for an invention without obtaining a written permit from the Controller. However, the Court noted that Section 39 does not expressly refer to either patent of addition or divisional application. In this regard, the Court approved the respondent's reasoning that a patent of addition stands on a different footing from a divisional application:

- Since a divisional application can only be filed in respect of matters disclosed in the complete specification of the parent application, Section 39 would not be required if a divisional application were to be filed by an Indian resident after having first applied to the parent invention in India.
- Taking aid from Sections 54 and 55, MHC further held that the invention forming the subject of a patent of addition can be patented independently. The nature of a patent of addition, i.e. involving an improvement in or modification of the parent or main invention, would invariably require additional disclosures to those contained in the complete specification of the main invention.
- In the case of a patent of addition application, the additional subject matter may be disclosed over the parent (main) application, and hence, permission granted for the parent/main application does not cover the permission for patent of addition application. Thus, Section 39 would apply to the patent of addition applications.

However, the appellant stated that it was of the bona fide opinion that permission was not required to file a patent of addition application because the parent application was first filed in India. In order to assess the appellant's assertion, the MHC examined the provisions relating to a patent of addition and held that a patent of addition is linked to the parent or main invention in multiple ways. Therefore, the Court concluded that the appellant did not intend to circumvent the requirements of Section 39 and that there is credibility in the assertion of bona fide belief that permission under Section 39 was unnecessary.

The Court next moved to the question of whether the omission of the appellant falls within the scope of the expression "contravention of Section 39". Section 40 provides that an application for a grant of a patent outside India if made in contravention of Section 39, would result in the application for a patent under the Patents Act is deemed to be abandoned. Originally, Section 40 imposed the liability of deemed abandonment of a patent application only for contravention of directions related to secrecy under Section 35. Under the 2002 amendment, Section 40 was extended to cover a contravention of Section 39, and, at that time, Section 39 was only limited to inventions relevant to defence purposes or related to atomic energy. Later, when the 2005 Amendment Act expanded the scope of Section 39 to include all applications, Section 40 was not amended. Thus, the Court concluded that the words "contravention of Section 39" in Section 40 are intended to apply to situations where there was a clear breach of the written permit requirement with respect to inventions in all fields.

The Court further made a distinction between substantive and procedural breach. It was held that as Section 40 deals with substantive infractions of Section 39, drastic consequences for such infractions are prescribed by legal fiction. The legal fiction of deemed abandonment u/s 40 is intended to serve a particular purpose. In this case, the purpose is to prescribe the consequences of a clear breach of Section 39, as opposed to procedural irregularities, and the scope thereof should not be extended beyond such purpose. Considering the facts and circumstances of the instant case, the High Court finally concluded that the breach committed by the appellant would, at worst, qualify as a technical breach but would not trigger the deemed abandonment u/s 40.

39. Madras HC Grants Patent to Appellant as Controller Fails to Justify Non-Disclosure as a Ground of Rejection

Case: Kuraray Co. Ltd vs Mebiol Inc. [(T) CMA (PT) No.47 of 2023]

Forum: High Court of Madras

Order Dated: November 29, 2023

Issue: Whether the rejection of the appellant's patent application by the Assistant Controller of Patents & Designs was justified?

Order: The appellant filed this Civil Miscellaneous Appeal filed under Section 117-A of the Patents Act, 1970, to set aside the impugned order of the Assistant Controller of Patents & Designs dated 30.12.2019 in 2394/CHENP/2013 and hold that the claimed invention, in this case, is patentable under Section 2(1) (ja) of the Act; and to direct the Controller to grant the patent.

The appellants filed the above-mentioned application for grant of patent in respect of an invention entitled "FILM FOR PLANT CULTIVATION" by specifying 28.09.2010 as the priority date. The claimed invention relates to a process involving the use of polyvinyl alcohol film (PVA film) for specifications in plant cultivation.

The Controller rejected the national phase application derived from the PCT Application. The Court stated that the respondent has failed to identify the source or basis for reaching such conclusions regarding non-disclosure, which is untenable when viewed in light of the complete specification and, in particular, the disclosures made under the heading 'mode for carrying out the invention', the methods disclosed for measuring birefringence, swelling degree and penetration resistance and the root penetration test.

The Court further stated that the appellants have set out examples of the complete specification, which also capture the results of the evaluation of the claimed invention against the parameters of penetration, nutrient permeability, and root penetration test. As regards conclusion (iii), with reference to prior art document D1, for reasons set out earlier, prior art

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document D1 does not teach, motivate, or suggest the claimed invention and, in fact, teaches away to the extent that it proposes the use of a laminate for the purposes specified in D1.

Therefore, the Court set aside the impugned order and noted that, however, it is pertinent to note that original claims 1-2 set out the requisite properties of the PVA film, i.e. regarding birefringence and swelling degree. These claims were originally drafted as substance/product claims and were probably given up because of the objection under Section 3(d) of the Patents Act.

Further, the court added that the only surviving objection to claims 1- 2 was regarding lack of inventive step, which conclusion is untenable. Thus, the Court directed the Application No.2394/CHENP/2013 to proceed to grant on the basis of claims 1-2.

40. The Scheme of the Patents Act and Rules Obligates the Hearing Officer to pass orders within a reasonable period, says the Delhi High Court

Case: Procter and Gamble Company vs Controller of Patent [C.A.(COMM.IPD-PAT) 268/2022]

Forum: Delhi High Court

Order Dated: December 08, 2023

Issue: Whether the Controller's order dated October 8, 2018, refusing the patent application filed by the Procter and Gamble company was valid?

Order: In this case, the Procter and Gamble company filed an appeal against the order of the Controller dated 8th October 2018 before IPAB, which was transferred to IPD of DHC. The concerned Controller conducted an oral hearing in this matter on 29th September 2014 and issued a refusal order after four (4) years on 8th October 2018. Interestingly, on 5th October 2018, before issuing the refusal order, the Controller invited the Applicant to submit documents under Section 8(2) of the Patents Act along with other clarifications. However, in an unpredictable twist of events, the Controller did not wait for the reply of the Applicant and proceeded to refuse the patent application on the next working day itself, despite the provisions that give six months to the Applicant to file a reply to the objection under Section 8(2).

The Hon'ble Delhi High Court, after reviewing the impugned order and the documents on record, held that it is clear from the chronology of events that transpired before IPO that the manners in which the Controller dealt with this application are highly arbitrary and whimsical. The Hon'ble Court further reviewed Sections 14, 21 of the Act and Rule 24B of the Patents Rules and observed that there are strict timelines which are prescribed both in the Act and the Rules right from the filing of request of examination, preparation of the examination report by the examiner of patent, consideration of the examiner's report by the Controller, issuance of statement of objections, reply to statement of objections and the time for putting the application in order for grant.

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The Hon'ble Delhi High Court observed that no specific timeline has been fixed for issuing an order after conducting the oral hearing. However, the intention of the legislature is evident from the provisions of Sections 14 and 21, that the order must be issued within a reasonable period. The Hon'ble went on to dictate what the reasonable period could be. The Court held that the reasonable period could be three to six months, depending on the complexities of each case, and not beyond that. The Court further observed that issuing an order four years after issuing a notice under Section 8(2) of the Act, for which adequate time for reply was not granted.

In these circumstances, the Court set aside the order of the Controller dated 8th October 2018 and remanded the matter back to the patent office for a fresh hearing. The Court, acknowledging the essence of time in a patent case, prescribed a specific timeline for completing the whole procedure at the patent office. The Hon'ble Delhi High Court directed the IPO to reflect the change of status of the present application on its website and show the same as pending within two weeks. Once the status of the application is changed to pending on the patent office website, the Appellant shall, by 15th January 2024, respond to the notice dated 5th October 2018. No fresh objection should be raised. Thereafter, a hearing will be held in the first week of February 2024, and upon conclusion of the hearing, within three months, the final order may be passed.

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41. Opposition Board Must be Reconstituted When Evidence is Filed After Issuance of Board Recommendations

Case: Optimus Drugs Private Limited vs Union of India & Ors. [(T)CMA(PT)/61/2023 (OA/11/2021/PT/CHN)]

Forum: High Court of Madras

Order Dated: December 12, 2023

Issue: Whether the post-grant opposition was filed by Synmed Labs Limited (opponent) on March 05, 2018, against a patent granted on March 20, 2017, under patent no. 281489, for an invention titled "An improved process for the preparation of Linezolid" to the plaintiff, was it valid?

Order: In this matter, a patent was granted on March 20, 2017, under patent no. 281489, for an invention titled "An improved process for the preparation of Linezolid". A post-grant opposition was filed by Synmed Labs Limited (opponent) on March 05, 2018. The post-grant opposition representation was filed along with the evidence. When filing the reply statement, the patentee, Optimus Drugs Private Limited (patentee), did not file any evidence. However, the opponent filed a rejoinder along with additional evidence. The Opposition Board provided their recommendation on May 17, 2019.

The patentee filed an expert affidavit on June 17 2020, which was rejected by the Controller. The patentee then approached the High Court, and during the pendency of that writ petition, the Controller allowed the admission of additional evidence. Thus, the patentee re-filed the expert affidavit on November 12, 2020. In response, the opponent filed further evidence on March 04 2021. Thereafter, the patentee requested to amend claims on February 03 2023. The request for post-grant amendment was also notified in the Patent Office Journal on July 11 2023. Before deciding on the post-grant amendment of claims as filed by the patentee, the Controller issued a hearing notice dated August 09 2023.

The patentee thus approached the High Court to seek directions that the request for post-grant amendments filed on Form 13 should be decided first. Thereafter, a fresh opposition board should be constituted, and a fresh recommendation should be issued in view of all the evidence filed by both parties.

The counsel representing the patentee argued that as they have not filed any evidence with their reply statement, the opponent is not entitled to file additional evidence with their rejoinder. Also, as both parties filed their evidence after the issuance of the recommendation of the opposition board, the board is obliged to consider the additional evidence and issue fresh recommendations. The counsel also argued that the amended claims should be placed before the opposition board.

The opponent's counsel argued that the opposition board must only examine the evidence submitted under rules 57 to 60. The board is under no obligation to consider evidence submitted after the date of fixation of the hearing. The counsel further argued that rule 62(4) permits either party to rely on publications by giving notice; otherwise, no other evidence may be relied on as per rule 62. The counsel, while referring to the facts of the matter, argued that the patentee intends to scuttle the opposition proceedings in view of the recommendations of the opposition board, as the opposition board has recommended that the patent is liable to be revoked on the ground of obviousness.

After considering all the facts of the matter and arguments presented by both parties, the Court held that it would be meaningless to take a decision based on the recommendations issued in May 2019, and the principle of natural justice also demands consideration of additional evidence placed by both parties. The further question before the Court was whether the same opposition board undertook the exercise and issued fresh recommendations or whether the opposition board should be reconstituted.

The Court observed that the recommendation was issued considering the evidence on record placed by the opponent only. Additional evidence was established by the parties subsequent to the issuance of recommendations of the opposition board. The Court also considered that the patentee had filed a request for voluntary amendments, which have been published.

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Considering all these facts and circumstances, the Court believed that to preclude the possibility of confirmation bias, a fresh opposition board should be constituted comprising officers other than those who were part of an earlier opposition board.

As the opponent has raised the concern that the patentee is acting to scuttle the opposition proceeding, the Court, in this regard, agreed and held that it is necessary that the opposition proceeding should have proceeded on an expedited basis. To expedite the entire process, the Court has given fixed deadlines for all the actions. For instance, the Patent Office is directed to constitute the fresh opposition board within 30 days from the date of receipt of the copy of this order. The opposition board must provide their recommendations after examining all the evidence and amended claims filed by the patentee within 2 months from the date of the constitution of the board. Lastly, the Court directed the Controller to fix and conclude the hearing as expeditiously as possible.

42. Date of Assignment and Declaration Different in Patent Applications

Case: NEC Corporation vs Assistant Controller of Patents and Designs [CMA(PT)/29/2023]

Forum: High Court of Madras

Order Dated: December 19, 2023

Issue: Whether the rejection of a patent application (No.7830/CHENP/2014) based on the discrepancy between the date of assignment and the date of declaration by the Assistant Controller of Patents and Designs was valid?

Order: The appellant had filed Patent Application No.7830/CHENP/2014, which was the national phase application corresponding to the PCT International Application at the Indian Patents Office on 24.10.2014. In the application, the three inventors, Iskren Ianev, Yannick Lair, and Kouhei Gotou, mentioned the assigning of this invention to the appellant, and a subsequent declaration was issued. However, the declaration issued by Yannick Lair was dated 07.02.2015, which was the date of declaration. Thus, the patent application was rejected through an impugned order.

The counsel for the appellant claimed that the declaration had been provided well within the six-month time period specified in Rule 10 of the Patents Rules 2003, which relates to applications made under Section 7 (2) of the Patents Act 1970. The learned counsel explained that the assignment of the invention to the appellant was done earlier and that one of the three inventors, Yannick Lair, put the date of declaration while signing. This led to confusion between the date of declaration and the date of assignment on the basis of which the impugned order had been passed. It was further submitted that an assignment and inventors' declaration was made by the three inventors on 15.03.2013 in relation to the application made before the US Patents Office. In this declaration, each inventor, including Yannick Lair, had recorded that the invention had been assigned to the appellant. The counsel highlighted that such a declaration was applicable to corresponding

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foreign patent applications, including the application submitted to the Indian Patents Office. Finally, the counsel submitted that all three inventors were employed by the appellant, and their invention was related to the work they performed in the course of employment.

In response to the appellant, the learned counsel of the respondent contended that the impugned order was unappealable under Section 117-A since it had been issued under sub-section 1 of Section 6 of the Patents Act. The respondent argued that the request for waiver by the appellant under para 7 of the declaration dated 17.10.2022 was a breach of Sections 6 and 7 of the Patents Act. Further, the counsel maintained that the impugned order contained no infirmity.

The Court made clear to the respondent that the current appeal under Section 117 of the Patent Act was perfectly maintainable as it was made against a refusal order under Section 15, which covers the 'power of controller to refuse or require amended applications, etc., in certain cases'. Thus, the respondent's argument about the order under sub-section 1 of Section 6 being unappealable was dismissed.

It was further stated that clause (b) of sub-section (1) Section 6 of the Patents Act enables the assignee of the true and first inventor to make the application. If such application is made by the assignee, sub-section 2 of Section 7 directs the applicant to provide proof of the right to make the application within the prescribed period under Rule 10 of the Patents Rules, namely six months from the date of filing of the application. The Court was of the opinion that all the above provisions had been abided by by the appellant. Therefore, the principal issue in question was Whether the declaration of Yannick Lair is in consonance with the statutory prescription.

Madras HC noted that according to the declaration issued by the appellant on 14.10.2022, the appellant employed all three inventors, and the invention was an invention created in their regular course of employment. Moreover, in the assignment and inventors' declaration on record, all three inventors, including Yannick Lair, had stated that the invention had been assigned to the appellant and that the assignee was entitled to claim rights in respect of the application filed before the US Patents office and any corresponding foreign patent office including their application at the Indian Patents Office.

After due consideration of all the above points and the arguments advanced, the Court inferred that the assignment pre-dated the declaration dated 07.02.2015 by Mr.Yannick Lair. Highlighting the distinction between the date of assignment and the date of declaration, the court came to the conclusion that the impugned order was the consequence of conflating the two dates. Therefore, the impugned order was declared unsustainable and set aside. Consequently, the respondent has been directed by the court to decide Patent Application No.7830/CHENP/2014 on merits and in accordance with law. The court order further states that, after providing a reasonable opportunity to the appellant, "a reasoned decision shall be issued within a period of four months from the date of receipt of a copy of this order".

43. Determining the Applicability of the Biological Diversity Act, 2002 in Patent Matters

Case: Inventprise Inc. vs The Controller of Patents & Anr. [W.P.(C)-IPD 26/2023]

Forum: High Court of Delhi

Order Dated: December 20, 2023

Issue: Whether the subject matter of the patent relates to biological resources and comes within Section 2(c) of the Biological Diversity Act, 2002?

Order: This writ petition was filed by the Petitioner - INVENTPRISE, INC, a US-based company, which had filed the patent application bearing no. 201917035818 titled 'Heat Stable Liquid Rotavirus Vaccine'. The Petitioner sought issuance of a direction to Respondent No. 1- the Controller of Patents and Designs to proceed with the prosecution of the subject patent application; and direction to Respondent No. 2- the National Biodiversity Authority to issue a 'No objection Certificate' for the subject patent application.

The subject patent application was stated to be based on the PCT application bearing number PCT/US2018/018226. The subject patent application was pending before the Patent Office. However, in the meantime, the Petitioner received an email dated 21st February 2020 from the National Biodiversity Authority ('NBA') wherein a letter dated 18th February 2020 written by NBA to the Controller of Patents was attached. By this, the NBA directed the patent office not to grant patents until approval was obtained from the NBA. Considering this position, the Petitioner filed an application bearing no. 4228, dated 11th September 2020, before the NBA sought a no-objection certificate to proceed with its patent application. In response to the said application, certain information was sought from the NBA between 2020 and 21. In the meantime, the First Examination Report (FER) dated 23rd December 2022 was also issued by the patent office. In the case of the Petitioner, correspondence and clarifications continued before the NBA.

The petitioner submitted that vide letter dated 28th January 2021; the NBA informed the Petitioner that the Expert Committee of NBA had recommended for approval of the application in Form 3 with a higher benefit sharing component as, according to the NBA, the Petitioner had contravened Section 6 of the Biological Diversity Act, 2002. As per the said communication, an agreement of benefit sharing was to be executed by the Petitioner.

When the NBA continuously insisted upon the signing of a benefit-sharing agreement, the Petitioner, via communication dated 5 November 2022, communicated its decision to withdraw the subject patent application. However, in response, the NBA vide communicated dated 9th November 2022 informed the Petitioner that it is maintaining the objection and the requirement for execution of the benefit sharing agreements even if the subject patent application is withdrawn. The Petitioner again gave a representation to the NBA against this stand of the NBA.

According to the Petitioner, the stand of the Petitioner was that the subject matter of the patent application does not constitute a `biological resource' under Section 2(c) of the Biological Diversity Act, 2002. This issue had not been considered either before the Patent Office or before the NBA. Accordingly, the Court opined that the question as to whether the subject matter of the patent relates to biological resources and comes within Section 2(c) of the Biological Diversity Act, 2002, would have to be firstly decided by the NBA. For the said purpose, let the Petitioner be given notice of hearing in the matter by the Expert Committee of the NBA.

The Court held that the Expert Committee may give a personal hearing to the Petitioner, and a reasoned order shall be passed by the NBA as to whether it relates to biological resources. If the Expert Committee so opines, any senior official may be contacted by CGPDTM, who may also be present before the Exert Committee to render assistance. The decision will be taken within three months. Remedies of the Petitioner are left open.

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DESIGNS

1. Defence of Prior Publication Valid in Design Infringement Case

Case: Novamax Industries LLP vs. Prem Appliances and Anr. [CS(COMM) 177/2021 & I.A. 5485/2021, I.A. 13748/2021, I.A. 7058/2022]

Forum: High Court of Delhi

Judgment Dated: January 16, 2023

Issue: Whether a case of vulnerability to cancellation of the suit design was made out in terms of Section 19(1)(b) of the Designs Act?

Judgment: The present suit was filed by the plaintiff, the registered proprietor of Design No. 322384-002 (suit design), which was granted on

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9th October 2019. The plaintiff was a manufacturer and seller of air coolers. The plaintiff's case was that the "NOVA" range of coolers sold by the defendant constituted an infringement of the suit design. A pictorial representation of the same was produced as follows-

. Further, the defendant had filed an application to vacate the order dated 16th April 2021, wherein an *ex parte* interim order in favour of the plaintiff was passed. The defendant agreed that the design of their "NOVA" range of coolers was identical to the suit design. However, he invoked section 22(3) of the Designs Act, 2000 (Designs Act) r/w section 19(1) of the Designs Act to plead prior publication of the design as a ground for cancellation of the suit design. The defendant's counsel further submitted that on the plaintiff's website, their cooler "ZEPHYR" was published before 24th March 2019, which had a similar design to that of the NOVA range. The pictorial representation of the ZEPHYR cooler was produced as follows-

. Further, it was also pointed out from the invoices produced by the plaintiff that the ZEPHYR cooler was, in fact, sold prior to 9th October 2019. Thus, the Court held that the defendant had *prima facie* established prior publication of the plaintiff's design, challenging the vulnerability of the suit design. Therefore, the said ground was validly available as a ground of defence to the defendant by way of Section 22(3) of the Designs Act. The Court further vacated the interim order dated 16th April 2021 and allowed the application filed by the defendant.

2. Delhi High Court Grants Relief in PRESTIGE vs PARISTONE: A Case of Design Piracy and Trade Dress Imitation

Case: TTK Prestige LTD vs KCM Appliances Private Limited [CS(COMM) 697/2022]

Forum: High Court of Delhi

Judgment dated: April 13, 2023

Issue: Whether the certificate of registration for design registered for a "Pressure Cooker with Container and Lid (Set) for Household" is invalid due to the registration of six designs instead of one, and whether the defendant's pressure cooker infringes the suit design.

Judgment: The Plaintiff filed a suit for infringement of its design 324727-001, which was registered for a "Pressure Cooker with Container and Lid (Set) for Household. The defendant argued that the certificate of registration of a design is invalid because it registered six designs instead of one, contrary to the rule that one certificate can only register one design. Six different pressure cookers cannot be considered a set and, therefore, cannot be covered by one design registration.

However, the Court mentioned that the definition of "set" in the Designs Rules is irrelevant to the validity of the design registration in question. The interpretation of "set" provided by the defendant is in line with the definition in the rules. The Court agreed that six pressure cookers cannot be considered a set. Nevertheless, it concluded that the definition of "set" is not relevant to the current dispute. The suit design is registered in Class 07-02, which includes "Cooking appliances, utensils, and containers." The Court noted that the term "article" in the Designs Act encompasses any part of an article capable of being made and sold separately. Therefore, one design registration can cover multiple articles falling within the same class.

The Court further explained that the certificate of registration treats the "pressure cooker with container and lid" as a set for registration purposes.

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Thus, one pressure cooker with a lid and five open pressure cookers can be legitimately covered by one design registration since they belong to the same class of articles. The Court concluded that the certificate of registration covers essentially one design involving the same shape and configuration of the container and lid, which constitutes a set.

The Court examined the challenge to the validity of a suit design based on prior publication, novelty, originality, and functionality. The defendant argued that the suit design was invalid due to the prior publication of a YouTube video featuring a pressure cooker similar to the design. However, the Court determined that the YouTube pressure cooker and the suit design are different in shape; therefore, the prior publication argument is not applicable.

Regarding functionality, the Court clarified that a design can have both functional and aesthetic attributes. While the pressure cooker lid may have functional advantages, its aesthetic appeal is also relevant for design registration. The Court held that the suit design has aesthetic attributes and qualifies for registration based on eye appeal.

In terms of piracy or infringement, the Court compared the defendant's Impex Dripless pressure cooker with the suit design. It determined that the container and lid of the defendant's pressure cooker are similar in shape to the suit design. The minor differences mentioned by the defendant are considered trade variants or insignificant in light of the overall shape and configuration. Moreover, the Court concluded that the defendant had borrowed the idea of the central depressed portion of the lid, which the plaintiff originally devised. Thus, the Court restrained the defendant from manufacturing or selling the Impex Dripless pressure cookers or any other pressure cooker that infringes the suit design.

3. No Breeze of Air for Ceiling Fan Manufacturer in Design Dispute

Case: Atomberg Technologies Private Limited vs Luker Electric Technologies Private Limited [Commercial IP Suit (Lodging) No. 66 of 2023]

Forum: High Court of Bombay

Dated: June 5, 2023

***Issue*:** Whether the registration for the design of the Defendant infringes upon the registered design of the Plaintiff?

Order: The suit was filed by Atomberg Technologies Private Limited (plaintiff) seeking interim reliefs in the context of its registered design of a ceiling fan named Atomberg Renesa Ceiling Fan challenging the registration of Luker Electric Technologies Private Limited (Defendants') fan design.

The Plaintiff claimed that its fan Atomberg Renesa Ceiling Fan is a registered design since September 8, 2018, and on March 21, 2022, Defendant fraudulently obtained design registration of two fans: Size zero Fan 1 and Size Zero Fan 2. Thus, Plaintiff filed a suit for design infringement and passing off and filed the present application for interim relief. Opposing the suit, Defendant claimed that Plaintiff suppressed the material fact that the design under challenge was already in the public domain and was called the "Gorilla Ceiling Fans". Defendant also submitted invoices showing that Atomberg Gorilla Renesa Ceiling Fans were sold in August 2018, i.e., before the registration of Plaintiff's design on 8^{th} September 2018. It also claimed that the Plaintiff could not have registered the design as it is not unique as per the provisions of the Designs Act.

The plaintiff submitted that as per the provision of the Designs Act, for the claim of infringement of a registered design, as well as the tort of passing off, the test of "look and feel" and "appeal to the eye" needs to be

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applied. The plaintiff also alleged that the defendant copied almost all the features of its registered design, and the highlighted features of the plaintiff's design in the plaint indicate its aesthetic aspects and what could be capricious features, which have nothing to do with functionality.

The defendant submitted that the plaintiff's design was already in the public domain prior to the grant of registration on 8 September 2018 and that, therefore, the plaintiff is not entitled to rely upon the registration of such design for the grant of interim reliefs.

Relying on Section 4 of the Designs Act, 2000, the court said that if a design is not new or original, is in the public domain, or is identical to known designs, the registration itself cannot be granted. Further, any such registration, if granted, can be cancelled as per Section 19.

The court considered social media posts showing pictures of Plaintiff's fan with its house-marks "Gorilla" and "Atomberg". These posts were made before the date of registration, hence publication prior to the registration of Atom Berg's design. Therefore, the value of the registration of a design is diluted if the material indicates that it was published before the registration date.

The court said that the Plaintiff's registered design and the designs available in the public domain before its registration are prima facie almost similar, and any difference is light and trivial. Thus, Plaintiff failed to make out a strong prima facie case about the originality of its registered design.

Thus, the Court held that something more than mere similarity would have to be demonstrated by the plaintiff for successfully claiming interim reliefs, and the plaintiff has not been able to make out that 'something more', as required under law, to successfully claim interim reliefs against the defendants on even on the aspect of passing off.

Since Plaintiff failed to make out a strong prima facie case against Defendant, the factors of balance of convenience and irreparable loss to the Plaintiff are insignificant. Therefore, the court dismissed the Plaintiff's application for interim relief.

4. Sonic Waves of Design Registration and Protection

Case: The Raring Corporation and Anr. vs Neogie Engineering Works Pvt Ltd. [IA NO- GA/1/2023EOS/4/2022]

Forum: High Court of Calcutta

Order Dated: June 20, 2023

Issue: Whether the registered design "Sonic Nozzle" is purely functional and therefore not eligible for protection?

Order: The petitioners are well-known manufacturers and suppliers of Dust Collection and Suppression Systems of different varieties. Petitioner no. 2 had entered into a collaboration with Petitioner no.1 to market and sell Petitioner no.1's Agglomerative Dust Suppression (ADS) systems in India.

The petitioners contended that the registered design in favour of petitioner no.1 has been copied in all aspects by the respondent and is identical to the registered design of petitioner no.1.

The respondent contended that the registered design in favour of the petitioner is functional and does not have any aesthetically pleasing appeal. It was further contended that the alleged design of petitioner no. 1 is purely a mechanical device which is dictated solely by functionality. There is no aesthetic element involved in the registered design, and the Designs Act, 2000 specifically excludes designs that are purely mechanical devices. It was also contended that the registered design is a published prior design.

It was observed by the Court that upon comparison, the impugned article had a striking resemblance with the registered design of petitioner no.1. A visual inspection prima facie shows that the respondent has copied all the primary features of the petitioner's article, such as the shape, configuration, pattern etc., and bear a striking similarity to the registered design of the petitioner no.1. The court further opined that the respondent failed to present documentary evidence in furtherance of their objection with respect to the registered design being purely functional.

With regards to prior publication, no annexed documents demonstrate prior publication of the registered design. Most of the invoices relied upon by the respondents were filed after the date of the registered design, and the remaining invoices from the respondent's website pertained to different articles when compared to the registered design of petitioner no. 1. Therefore, the court held that the petitioners have been able to establish a strong prima facie case on merits. The balance of convenience and irreparable injury is also in favour of orders being passed as prayed.

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5. Delhi High Court Discusses the Importance of Novelty and Originality in Design Disputes

Case: Jayson Industries and Anr. vs Crown Craft (India) Pvt. Ltd. [CS(COMM) 580/2022, I.A. 13422/2022, I.A. 13425/2022]

Forum: High Court of Delhi

Order Dated: July 3, 2023

Issue:

- Whether the defendant's products are obvious and fraudulent imitations of their registered designs, constituting piracy?
- Whether the defendants' challenge to the suit designs' novelty and originality is credible?

Order:

The plaintiff, who holds Design Registrations 326707, 326883, and 326882, has accused the defendant of design piracy. Central to the plaintiff's claim is the novelty and uniqueness of the designs of their bucket, mug, and tub. According to the plaintiff, these products incorporate distinctive shapes, configurations, and surface patterns, setting them apart visually from similar items in the market. The plaintiff argued that the defendant's products are obvious and fraudulent imitations of their registered designs, constituting piracy. The following comparisons were made:

Plaintiff’s designs	Defendant’s pictures
	

	
	

To support their claims, the plaintiffs have presented various views of their registered designs, showcasing different angles and sections of each item. It was emphasised that the designs have been granted novelty based on their unique features, particularly the ribbed nature of the body and the flange-like extensions on the vessels' rims.

The dispute, initially filed before the District Judge (Commercial Court), was transferred to the High Court due to the defendant's plea challenging the validity of the suit designs. The district court had previously granted an ex-parte ad interim injunction in favour of the plaintiffs, restraining the defendant from selling, marketing, distributing, or supplying the disputed bucket, mug, and tub. The ex-parte interlocutory injunction remained in force, and the defendant sought relief and vacation of the injunction.

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In response to the allegations, the defendant raised questions about the imitative nature of the designs and challenged the validity of the suit designs. The defendant argued that the Designs Act lacks a provision similar to the Trade Marks Act 1999, which statutorily presumes the validity of a registered trademark. Contrarily, the defendant claimed that there is no such presumption of validity for a registered design under the Designs Act. Additionally, the defendant contested the novelty and originality of the suit designs, seeking their cancellation based on grounds such as lack of novelty, originality, and prior publication.

The defendant presented various documents, including brochures and registered designs, to demonstrate the lack of novelty and originality in the suit designs. The argument emphasised that even slight differences in the shape of flanges or other minor changes would not save a design from invalidation if it were deceptively similar to prior art. Furthermore, the defendant contended that trade variants of existing prior art cannot be considered "original" within the meaning of the Designs Act. These contentions gave rise to a prima facie triable issue challenging the validity of the designs.

The court conducted a thorough examination of the application of the law to the presented facts, particularly focusing on the issue of design novelty. Based on the principles outlined in the Designs Act, the court raised doubts regarding the novelty and originality of the suit designs. It concluded that the suit designs lacked novelty and originality, leading to the rejection of the plaintiff's request for an interlocutory injunction.

The court analysed the suit designs, specifically highlighting the plaintiffs' claimed novel and original features: the vertical ribs along the length of the designs and the flanges on the rim. However, upon careful examination of the prior art, the court found no convincing evidence that these features were indeed novel and original.

The court held that the vertical ribs along the length of the bucket, tub, and mug, as well as the extended flanges at the rim, were not unique to the plaintiffs' designs. It cited various prior art references that clearly demonstrated the existence and use of similar features before the plaintiffs' designs came into play. Following were the prior design documents:

(i) Bathroom tub as uploaded by Sara China Bona Mould:

(ii) Mug as uploaded by Sara China Bona Mould:

(iii) Tub No. BN2103169 invoiced by Bona Mould to Crown Craft,

(iv) Mug No. BN2103170 invoiced by Bona Mould to Crown Craft,

(v) Bucket from the catalogue of Migeplastics.

(vi) Design 784645 registered in favour of David A. Richardson.

(vii) SeMius Durable Practicle Solid Geometric Shape Storage Garbage Household Trash can available on amazon .in since 14 March 2019:

The court observed that the vertical ribs in the suit designs were identical to those found in the prior art. While there were some minor variations in the shape, number, and extent of protrusion of the flanges, the court considered these changes as trade variants rather than substantial differences. Therefore, the court deemed the defendants' challenge to the suit designs' novelty and originality credible, resulting in the rejection of the plaintiff's request for an interlocutory injunction.

6. Similarity in Pressure Cooker Designs Found by Court, Resulting in Damages After Expiry

Case: TTK Prestige Ltd. vs Gupta Light House [CS(COMM) 865/2022]

Forum: High Court of Delhi

Judgment Dated: July 24, 2023

Issue:

- Whether the defendant's pressure cookers are either fraudulent or obviously imitative of the plaintiff's registered suit designs?

Judgment:

The plaintiff argued that the defendant's pressure cookers were either fraudulent or obviously imitative of their registered suit designs. The plaintiff presented a comparison of photographs showcasing both their own pressure Handi cookers and the defendant's rival products.

The plaintiff's product	**The defendant's product**
	

The primary defence raised by the defendant was that the suit design was invalid due to prior publication. In response, the plaintiff refuted by stating that there is no evidence of prior publication of the suit design. They pointed out that any representations of pressure cookers with similar designs filed by the defendant occurred after the plaintiff's suit design was registered in 2004.

The defendant emphasised that the suit design has expired since its registration period ended in September 2019, making it accessible to the public for exploitation. As a result, the defendant argued that no permanent injunction against the use of the suit design could be granted, and there should be no order to deliver any infringing goods.

Moreover, the defendant challenged the novelty and originality of the suit design, claiming that it was merely a replication of a pre-existing design—the handi pressure cooker, a well-known cooking vessel used in India since ancient times. However, the court dismissed this argument, affirming the novelty and originality of the plaintiff's suit design.

The Delhi High Court concluded that the plaintiff's cooker design holds a valid registration, as it possesses distinctive eye appeal with its unconventional bulging mid/lower section, setting it apart from ordinary cookers and meeting the criteria for design registration. Furthermore, after conducting a thorough comparison between the suit design and the defendant's product, the court ruled in favour of the plaintiff, declaring the defendant's design to be imitative of the plaintiff's registered design. The court rejected the defendant's claim of prior publication due to the lack of substantial evidence supporting it.

Regarding the functionality argument, the court clarified that functional designs can still be eligible for registration if they possess aesthetic appeal. Since the suit design demonstrated such an appeal, the court dismissed the plea that it was purely functional.

Although the court ruled out the possibility of a permanent injunction or delivery up of infringing goods, the plaintiff was granted the right to seek damages. The court directed the defendant to provide accounts of their earnings from sales of pressure cookers bearing the impugned designs. The plaintiff was also awarded costs for the litigation. The court's judgment reaffirms the validity and uniqueness of the plaintiff's registered design while confirming the defendant's design as an imitation of the suit design. It serves as a significant precedent in design piracy cases, underlining the importance of recovering damages even if the suit design has expired.

7. High Court of Delhi Clarifies Interpretation of "Article" in Design Infringement Cases

Case: Hero Motocorp Limited vs Shree Amba Industries [CS(COMM) 1078/2018 & I.A. 11007/2018]

Forum: High Court of Delhi

Order Dated: August 16, 2023

Issue: Whether the plaintiff's design, marked by a distinctive "V" shape and an elevated surface on the front section, was copied by the defendant?

Judgment: The plaintiff filed the present suit seeking a permanent injunction against the defendant for infringing the registered design of their front fender. The plaintiff's registered design 

, marked by a distinctive "V" shape and elevated surface on the front section, had been registered on April 7, 2015, under Registration No. 271199. The plaintiff argued that the defendant's front fender, marketed as "HF DLX TYPE," closely mimicked their registered design. They contended that the defendant's replication of their design constituted an act of piracy and dishonest infringement, leading to damage to their goodwill, reputation, and business. The plaintiff had also presented sales figures and advertising expenses as evidence of the popularity of their design, emphasising its exclusivity.

In response, the defendant asserted that the plaintiff's registered design lacked novelty and originality, as it had been advertised in 2013 and 2014 prior to its registration in 2015. They also claimed that the design closely resembled the front fenders of earlier motorcycle models of the plaintiff, rendering it unremarkable. The defendant pointed out that other manufacturers had similar designs and highlighted that the plaintiff's design had functional aspects relating to airflow control rather than mere aesthetics. The defendant further argued that the plaintiff's claim that their front fenders

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were articles under the Designs Act was misplaced, as these fenders were replacement parts and not independent articles. They contended that the plaintiff's interpretation of "article" was overly broad and would impact the market for spare parts.

The plaintiff countered by asserting that their design was indeed novel and original. They emphasised on the defendant's intentional imitation and dishonesty, placing reliance on *Midas Hygiene Industries Pvt. Ltd. versus Sudhir Bhatia & Ors., (2004) 3 SCC 90*. The plaintiff also argued that the defendant's reliance on foreign patents and designs was inapplicable to the Indian context. In the rejoinder, the plaintiff emphasised the necessity of granting registration to parts intended to be sold separately, as indicated held by the Chancery Division in *Sifam Electrical Instrument Company versus Sangamo Weston Limited, [1973] R.P.C. 899*.

It is evident that the defendant's front fender is an identical replica of the plaintiff company's front fender. The defendant agreed that their fender is intended to serve as an exact substitute for the plaintiff company's motorcycle fender.

While considering various relevant judgements and legal principles, the Delhi High Court made a comparison between the defendant's prior art and the designs of front fenders from various brands already accessible in the market with the plaintiff company's registered design.

PRIOR ART	**PLAINTIFF'S FRONT FENDER**
TVS APACHE	Top View  Perspective View 
	
HERO CBZ EXTREME	
	

The Delhi High Court's analysis found that both designs mentioned by the defendant feature a distinctive 'V' shape on the front face of the fender, along with elongated sides. This resemblance is consistent with the actual "TVS Apache" design and the plaintiff company's design, both exhibiting the 'V' shape with extended sides. Minor differences in the 'V' shape among the various fenders are insignificant and can be considered as acceptable trade variations.

Moreover, the Delhi High Court noted that the "TVS Apache" design predates the plaintiff company's motorcycle launch by a significant number of years, supported by evidence from parts catalogues and invoices. This is important because prior publications like trade catalogues and depictions therein are considered as evidence of prior art. The plaintiff company's own models, such as "HERO CBZ EXTREME," have fenders with a similar 'V' shape and elongated sides, preceding the "HERO HF DELUXE" model, which features the plaintiff's current design.

Although the plaintiff argued that its design is not solely characterised by the 'V' shape and elongated sides, it was highlighted that the plaintiff described the design using these attributes in its claim. The Delhi High Court determined that the defendant's presented prior designs indeed incorporate these attributes. Additionally, when addressing the plaintiff's argument regarding restricted design freedom, the Delhi High Court stated that such limitations do not apply to fenders, as their functional requirements can lead to a range of designs.

The Delhi High Court concluded that the defendant has effectively contested the validity of the plaintiff company's design registration by presenting evidence of prior publications. Consequently, the plaintiff company has failed to establish a strong initial case for an interim injunction.

Furthermore, the Delhi High Court delved into the registrability aspect of the plaintiff's design under the Designs Act. The defendant contended that the front fender does not fall within the definition of "article" as outlined in Section 2(a) of the Designs Act. The Delhi High Court examined various precedents and legal principles to interpret the term "article" in the context of design infringement. It referred to the judgment of the House of Lords in

Ford Motor Company, which held that for a spare part to qualify as an article, it must have an independent life as an article of commerce and not merely be an adjunct of a larger article. The Delhi High Court also considered the judgment of the Chancery Division in *Sifam Electrical Instrument Company versus Sangamo Weston Limite*d, which emphasised that registration should be granted to parts of articles intended to be made and sold separately. It further discussed the judgment of the Division Bench of the Bombay High Court in *Marico Limited versus. Raj Oil Mills* held that the Indian definition of "article" includes a part of an article as well.

The Delhi High Court also addressed the argument that the Indian definition of "article" differs from the English definition. It disagreed with the view that there is a dissimilarity between the two definitions, stating that the Indian Designs Act's definition is pari materia with the English definition as interpreted by the House of Lords in Ford Motor Company. This alignment reinforces the importance of the independent commercial existence of a part in both jurisdictions.

8. Crafting Authenticity: "Cup" Full or Empty of Design Infringement?

Case: Nishita Design and Anr. vs Clay Craft India Private Limited and Ors. [CS(COMM) 737/2023 & I.As. 20347-50/2023]

Forum: High Court of Delhi

Order Dated: October 13, 2023

Issue: Whether there was a case of design infringement and piracy by the defendants of the plaintiff's registered designs for "Devanagiri" and "Banaras" used on crockery?

Order: The plaintiff, Nishita Design, is a crockery manufacturer who applied to protect their registered designs, 'Devanagari' and 'Banaras', against the infringement by the defendant. The plaintiff also submitted physical samples of cups, which bear the "DEVANAGIRI" design as:

Plaintiff's product containing Devanagiri design	Defendant's product containing Devanagiri design
 	

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The plaintiff submitted that Section 22(1)(a) of the Designs Act, 2000 proscribes application by any third person of a registered design not only to the article in respect of which the design has been registered, but to any article in the class of designs in respect of which registration is granted. Registration of both the designs forming the subject matter of controversy in the present case has been given to the plaintiff in Class 07-01.

Defendant 1 made a statement, that it would not use the “DEVANAGIRI” design in any fashion, pending disposal of the suit, the Defendants 2 and 3 would also stand restrained from using the said design on any crockery items including cups, till the next date of hearing.

The Court observed that as far as the “DEVANAGIRI” design is concerned, a prima facie case of infringement of design is made out, when one compares the design on the cup, a physical sample of which has been produced in the Court with the registered design of the plaintiff. The design is identical in all respects. The defendant contended that insofar as the “BANARAS” design is concerned, the merits of the case cannot be said to be so clearly in favour of the plaintiff as would disentitle him even to the opportunity of filing a reply before any interlocutory orders are passed.

The plaintiff submitted a comparison of the leaf design on the cup designed by Defendant 1 with the leaf design in the certificate of registration, which clearly indicates the imitation of the latter by the former. Therefore, according to her, the defendant is clearly guilty of piracy of the plaintiff's registered design, and injunctive orders should be passed even without a reply being filed.

Having heard both sides, the Court opined that, insofar as the “BANARAS” design is concerned, the case could not be said to be so clear as would disentitle the defendants to file a reply before any injunctive orders are passed. However, the court restrained the defendants 2 and 3 from using the “Devanagiri” design and granted two weeks to the defendants to file reply on the “Banaras” design.

9. Prestige Secured in Design Piracy Matter

Case: TTK Prestige Ltd vs Arjun Ram & Anr [CS(COMM) 915/2022]

Forum: High Court of Delhi

Order Dated: October 19, 2023

Issue: Whether the defendants' pressure cookers, sold under the name "PARISTONE," infringed the registered design of the plaintiff's "Svachh" line of pressure cookers under the trademark "PRESTIGE?"

Order: The plaintiff had instituted the suit primarily on the premise of design piracy within the meaning of Section 22(1) of the Designs Act, 2000 (hereinafter referred to as "the Designs Act") for Design No. 324727-001 (hereinafter "the suit design") which covered the Svachh line of pressure cookers manufactured by the plaintiff and sold under the umbrella trademark "PRESTIGE" were allegedly being infringed by the Defendants who sell pressure cookers under the trade name "PARISTONE".

Hon'ble Court relied upon the previous judgement of the same Court in another matter of *TTK Prestige Ltd. v. KCM Appliances Pvt. Ltd. (2023 SCC OnLine Del 2129*, where the same design of the plaintiff was asserted while examining the issue of design piracy.

In an earlier decision dated April 13, 2023, in *TTK Prestige Ltd. v. KCM Appliances Pvt. Ltd*, the Hon'ble Delhi High Court held that the defendant, in that case, had imitated the shape and configuration of the lid, more particularly the central depressed portion of the lid for collection and evaporation of froth, which resulted in spillage control, which was the idea devised by the plaintiff, i.e., TTK Prestige. Since the defendant could not find any other source from which the defendant adopted the idea, the Hon'ble Court held a prima facie view that a clear case of piracy exists. With respect to piracy of design, the Hon'ble Court reiterated its stand as in *the KCM Appliances case* and held that since the various distinctive features of the lids of the pressure cookers in respect of which injunction had been granted in *the KCM Appliances case* are also replicated in the lid of the "PARISTONE" pressure cooker, forming the subject matter of controversy.

The findings of the Hon’ble Court in that case would, therefore, apply *mutatis mutandis* to the present matter as well. The Court observed that the only additional aspect with respect to design in the present case was that there was no difference in height between the lids in respect to which suit design had been granted, and the lid of the pressure cooker formed the subject matter of controversy. The observations in this case cannot be understood without diving into the Court’s decision in the case of the KCM Appliances and the reasoning that led to the decision, which is briefly discussed below.

What was peculiar about the suit design, in this case, was that all six views filed at the time of registration by the plaintiff were different, and therefore, the Defendant in *KCM Appliances* alleged that the design registration was invalid, which amounted to six different designs. However, the Hon'ble Court disagreed with the defendant and observed that the fact that the closed pressure cooker and the five open pressure cooker containers, whose images are reflected in the registration of the suit design, are of different capacities or even of different shapes do not render them different designs.

While holding such a view, the Hon’ble Court delved into the definition of design as defined in Section 2(d) of the Designs Act and what constitutes a set within the meaning of Rule 2(e) of the Designs Rules. The Hon’ble Court observed that the design is not the shape, configuration, pattern, ornament or composition of lines of colours applied to the article but only the features of such shape, configuration, pattern, ornament or composition. Thus, for the suit design, the Court observed that the features of the shape and configuration of all the six articles are fundamentally the same, and the only difference between them was that of the capacity of the pressure cookers. The Court observed that features of the shape and configuration of the containers, as well as of the lids, of all six pressure cookers, each of which would constitute a set within the meaning of Rule 2(e) of the Designs Rules, are the same.

The Hon’ble Court had further held that the certificate of registration covers essentially one design involving the same shape and configuration of the container and lid, which constitutes a set and in which, according to the certificate of registration, novelty resides. In doing so, the Court also referred to Section 6(1) of the Designs Act, which permits one design to be applied to more than one article covered in one class of articles and held that as all six pressure cookers, or even one pressure cooker and five containers, would all fall within the same class of articles, and have the same features of shape and composition, meaning thereby that they would have the same design, the certificate of registration falls within the scope of Section 6(1) of the Designs Act and is, therefore, prima facie valid.

The KCM Appliances case discussed the authoritative pronouncements on the aspects of design law, and the Hon'ble Court enlisted the principles that emerged from the perusal of all judicial precedents. The principles discussed the purpose of the Act, the scope of protection, the definition of article and design, the established test of ocular appeal, the burden of proof, the effect of registration of the design, challenge to the validity of registration of a design by prior publication, novelty of design and the difference in standards of examining validity of design vis-à-vis prior art and infringement of design by another design.

Since the suit design was also applied for patent protection by the plaintiff in the matter, the question of functional design not being entitled to design registration arose in the KCM Appliances case, which would have also been applicable in the present case. However, the Hon'ble Court reiterated in the KCM Appliances case that while a purely functional design is not entitled to registration, a design that has both functional and aesthetic attributes is so entitled. For design piracy to be established, the Hon’ble Court applied the test of ocular appeal and dealt with a utilitarian aspect of the suit design as well.

The Hon'ble Court observed that while the perspective of the consumer, who views the suit design with an instructed eye which is aware of the prior art, undoubtedly forms the definitive test to assess infringement, the issue of whether the customer would purchase the product for its aesthetic appeal for its utilitarian advantages is irrelevant. The Hon'ble Court held that piracy had taken place where the suit design possesses aesthetic value and the novel features that lend it such value are replicated in the defendant's design.

While comparing the standards for examining the validity of the suit design vis-à-vis prior art and infringement of the suit design by the impugned design of the defendant, the Hon’ble Court observed that prior publication would invalidate the suit design only if the suit design itself has been published prior in point of time. The Court further observed that for invalidation on the grounds of novelty and originality, prior publication of the suit design itself is not a prerequisite; rather, the existence of a prior design, which, when applied to an article, should reveal that except for trade variants, there is no difference between the prior art and the suit design.

On the other hand, to evaluate infringement, the Court must examine the design and the prior art vis-à-vis, as it were. The Court clarified that the eye with which the aspect of infringement is examined is an instructed eye, which is aware of the prior art and of the features which impart to the suit design, novelty and originality vis-à-vis prior art. Thus, the Court held that a comparison of the design of the defendant's product with the suit design has to be made from the perspective of such an instructed eye and thus examined if it is seen that the features which impart to the suit design, novelty and originality vis-à- vis prior art, and as certified in the certificate of registration of the suit design, stand replicated in the design of the defendant, the defendant is guilty of piracy.

The Hon'ble Court, in this case, while granting relief to the plaintiff, relied upon the imitation of trade dress of the plaintiff by the defendant and held that:

"*The plaintiff has placed material on record, including its annual turnover, which indicates its considerable goodwill and reputation in the market. Even otherwise, once the defendants have chosen to copy how the plaintiff has visualised its mark and also how the mark is affixed on the pressure cooker, as well as the design of the pressure cooker itself, it can hardly lie in the mouth of the defendants to question the goodwill and reputation of the plaintiff. That the defendants have chosen to imitate how the plaintiff prints its logo is itself a testimony to the goodwill and reputation of the plaintiff, in the perception of the defendant itself.*"

The decision of the Hon'ble Court will be understood in the light of the side-by-side comparison of the trademark and trade dress of the plaintiff vis-à-vis the defendant as before the Hon'ble Court is tabulated below:

The Hon’ble Court observed that as the defendants have clearly copied the plaintiff's trade dress insofar as the visual appearance on its mark is concerned, a case of passing off is made out. When the Hon’ble Court compared the marks of Plaintiff and Defendants, it was observed that the two marks were clearly visually identical, with the defendants having adopted a trade dress which was a clear imitative copy of the plaintiff’s trade dress used for its “PRESTIGE” mark. Further, it was also observed that the arrangement of various features on the outer packing of the defendants' product was also identical to the arrangement of features on the packing of the plaintiff's product.

However, the Court believed that with respect to trademark infringement, a prima facie case is not made out as it may be arguable whether “PRESTIGE” was phonetically similar to “PARISTONE”. The Court gave a glaring observation that there are no such distinguishing features between the parties, barring the name itself, as would impress itself on the mind of a consumer of average intelligence and, more importantly, imperfect recollection so as to enable him to distinguish the former from the latter, when seen at different points of time. Thus, there is a likelihood of confusion between the two marks, and an interlocutory injunction was granted, both on the grounds of design infringement as well as trademark passing off by the defendants of its product as that of the plaintiff.

Thus, the Defendants, as well as all others acting on their behalf, stand restrained from manufacturing, selling, offering for sale, exporting, advertising or in any other manner directly or indirectly dealing in pressure cookers bearing the impugned design or any other design which infringes the suit design no. 324727-001 as directed by the Court. The Court has further restrained the defendants from using the trade dress for its mark, which was almost identical to the trade dress used by the plaintiff for its 'Prestige' mark. However, the Court has not restrained the Defendants at the moment from using the mark ‘PARISTONE’ in any other trade dress, which is not similar to the trade dress of the plaintiff’s mark, on pressure cookers which do not imitate or infringe the registered design of the plaintiff’s Svachh range of pressure cookers.

10. Prestige at Stake: Madras HC Injuncts Against Design Infringement and Passing Off by Nirlon Kitchenware

Case: TTK Prestige Ltd. vs Nirlon Kitchenware Private Ltd [C.S. (Comm. Div.) No.159 of 2023]

Forum: High Court of Madras

Order Dated: November 6, 2023

Issue: Whether the Defendant, Nirlon Kitchenware Private Ltd, had infringed on the registered design of TTK Prestige Ltd's pressure cookers and engaged in passing off activities?

Order: *This* plaint was filed under Order IV Rule 1 of O.S. rules and Order VII Rules 1 of CPC, read with sections 11 and 22 of the Design Act 2000, read with proviso 1 to section 7 of the Commercial Courts Act, 2015 against infringement and passing off the Prestige Pressure Cooker's design, the Court granted the following reliefs:

- Permanent injunction restraining the Defendant and its agents from manufacturing, selling, offering for sale, exporting, or advertising bearing the impugned designs or any other design as may be fraudulent or obvious imitation of the Prestige design.
- Permanent injunction restraining the Defendant or anyone claiming through them from in any manner passing off and enabling others to pass off their pressure cookers as and for Plaintiff's Svachh Pressure cookers by using the identical shape and configuration for their products or any other Products which are identical to that of or an obvious imitation of the Plaintiff's Svachh Pressure cookers respectively and amount to product passing off.
- Permanent injunction restraining the Defendant or anyone claiming through them from in any manner passing off and enabling others to pass off their pressure cookers as and for Plaintiff's Pressure cookers by use of the offending mark SVACHH or any other mark similar to that of Plaintiff's mark SVACHH.

- Nirlon Kitchenware Private Ltd was ordered to surrender to Plaintiff for destruction all moulds, blocks, dyes, Brochures and all other materials used for the manufacture and marketing of Pressure cookers of Defendant which are identical to or an obvious imitation of the plaintiffs' registered design.
- A preliminary decree was passed in favour of the Plaintiffs, directing the defendants to render an account of profits made by imitation of the Plaintiff's registered design.
- The Defendant was also directed to pay the cost of the suit.

The case of the Plaintiff was that the primary novel feature in the design of the Plaintiff is a contoured lid with a peripheral wall, with a depression on the inside of the peripheral wall. According to Plaintiff, this aesthetically pleasing design was invented by Plaintiff, and Plaintiff was the first Company to manufacture pressure cookers with such a design.

Plaintiff submitted that Defendant, knowing the instant success of Plaintiff's design, has blatantly copied and imitated this novel aesthetic feature of Plaintiff's design and, therefore, has deliberately infringed Plaintiff's registered design. According to Plaintiff, it is obvious that Defendant had Plaintiff's product before its eyes to copy the design for its infringing pressure cookers.

The Plaintiff also submitted that the getup and trade dress of the Svachh pressure cookers of the Plaintiff have also acquired tremendous goodwill and reputation amongst the consumers at large and are exclusively associated with the Plaintiff.

The Plaintiff claimed that the conduct of the Defendant is fraudulent, dishonest, and solely motivated to earn easy and illegal profits by misappropriating the goodwill and reputation earned by the Plaintiff in the impugned design, which is very evident from a comparison of the design of the Plaintiff and the Defendant and also by the Defendant marketing the name under the phonetically similar "Svachh" or "Swachch" series. Thus, Plaintiff has filed this suit for damages as well on account of the infringement and passing off committed by Defendant.

The Court stated that the Plaintiff had obtained registrations under the Designs Act in respect of their design.

Plaintiff's design with respect to the lids of its pressure cookers and Defendant's imitation of Plaintiff's lid for its pressure cookers are illustrated through the following pictures:

The Court noted that the lids of Defendant's pressure cookers are identical to Plaintiff's pressure cookers as the design is one and the same. The Plaintiff has been in the market of manufacturing pressure cookers for a long number of years, and their trademark is well known, and the turnover of the Plaintiff is huge.

The Court stated that this suit was filed on 21.06.2023. Although the service of suit summons on Defendant was on 17.07.2023, Defendant did not choose to enter an appearance in the suit, and subsequently, they were also set apart by this Court on 12.09.2023. To date, no application has also been filed by the Defendant to set aside the exparte order. The Plaintiff has been in the pressure cooker market for a long number of years and presented sufficient evidence and assertions in the complaint regarding their market standing.

After Comparing both the designs and considering the evidence provided by Plaintiff, the Court stated that Defendant has fraudulently, with malafide intent, in order to derive undue and unlawful illicit gains, infringed the design of Plaintiff, which is the subject matter of this suit.

The Court stated that a novel feature in the design of the Plaintiff is the contoured lid with a peripheral wall, with a depression on the inside of the peripheral wall, which has been blatantly copied by the Defendant as seen from the Defendant's pressure cooker and as seen from the averments contained in the plaint which are supported by oral and documentary evidence placed on record by the Plaintiff. Thus, the Court granted a permanent injunction in favour of TTK Prestige Ltd.

DOMAIN NAMES

1. Delhi High Court Grants Injunction to Viacom18's Exclusive Rights to Broadcast BCCI Events

Case: Viacom18 Media Private Limited vs Live.Smartcric.Com & Ors [CS(COMM) 659/2023 & I.A. 18466/2023]

Forum: High Court of Delhi

Order Dated: September 21, 2023

Issue: Whether streaming and transmitting of events conducted by the BCCI by LIVE.SMARTCRIC.COM & ORS was an infringement of Viacom18 media private limited copyright?

Order: The plaintiff provided broadcasting services and owned the online streaming platform website www.jiocinema.com and a mobile app named 'JioCinema', which enabled viewers to watch serials, sports, movies, and other content online.

In this case, the plaintiff, as per the agreement dated September 12, 2023, entered into with the Board of Control for Cricket in India ('BCCI'), was granted exclusive global media rights for streaming/transmitting events organised by the BCCI over television and digital media from September 2023 to March 2028 on any platform, including the Internet and mobile.

Any attempt by any other entity to transmit or broadcast these events would constitute an infringement upon the plaintiff's exclusive copyright, which derives from the agreement dated September 12, 2023. The plaintiff alleged that Live.smartcric.com and the other seven Defendants operated rogue websites engaged in making third-party content and information available to the public via the Internet and mobile transmission.

These websites were found to be streaming and providing access, as well as transmitting and broadcasting to the recently concluded Asia Cup 2023, which started on August 30, 2023, without permission. Additionally, Defendants 2 to 8 were streaming the 'India Tour of West Indies 2023' without authorisation from the plaintiff. The plaintiff also noted that certain websites had announced plans to livestream the upcoming BCCI Event, 'Australia Tour of India,' commencing from September 22, 2023. Consequently, the plaintiff stated that notices have been sent to the domain name registrars and Internet Service Providers (ISPs), requesting them to block access to the rogue websites. In light of these circumstances, the plaintiff has approached this Court to seek protection against copyright infringement.

Analysing the facts of the case, the Court stated that there was substance in the plaintiff's grievance, and it was a ***"matter of common knowledge"*** that such rogue websites come into existence and, without any license or authorisation, begin streaming and broadcasting events over which others held copyright. Further, the Court stated that such suits ***"keep cropping up every now and then"*** and ***"It may be useful for the Legislature to formulate some kind of a policy by which such disputes can avoid taking up the time of the courts."*** In view of this, the Court agreed to the existence of the prima facie case, granted an injunction in favour of the plaintiff, and restrained the defendants from making available to the public, essentially by transmitting or broadcasting, in any manner, whether over the television or any digital platform or the Internet, the content relating to the events conducted by BCCI as broadcasted by the plaintiff in their channels including "JioCinema."

The Court restrained Live.smartcric.com and the other seven Defendants from hosting, streaming, or making unauthorised BCCI-related content available on their websites or other platforms where the plaintiff has exclusive copyright, then directed Defendants 9 to 15 to suspend the domain name registration of Defendants 1 to 8. Further, the Court also instructed Defendants 16 to 25 to block access to any similar or mirror websites of Defendants 1 to 8 and ordered Defendants 24 and 25 to notify internet and telecom service providers to block access to the websites identified by the plaintiff.

2. Howzat! Rogue Websites Restrained from Screening ICC World Cup Matches

Case: Star India Private Limited & Anr. vs Jiolive.Tv & Ors. [CS(COMM) 688/2023]

Forum: High Court of Delhi

Order Dated: September 27, 2023

Issue: Whether the plaintiff will get an injunction to prevent rogue websites from broadcasting cricket matches during the ICC Men's Cricket World Cup 2023?

Order: This case involves a suit filed by Star India Private Limited and Novi Digital Entertainment Pvt. Ltd. (the plaintiffs) seeking an injunction to prevent the illegal and unauthorized dissemination and broadcast of matches or parts thereof in the ICC Men's Cricket World Cup 2023.

The plaintiff's own media rights for various sporting events, including cricket, and Defendant 2 operates the online video streaming platform 'www.hotstar.com' where these events are streamed. The defendants include rogue websites hosting illegal and pirated content, domain name registrars, internet service providers, and government entities.

The plaintiffs expressed concerns that rogue websites would engage in unauthorized dissemination of cricket matches during the World Cup, potentially creating mirror websites if blocked. They argued that their exclusive rights obtained from ICC include broadcast reproduction rights under Section 37 of the Copyright Act, 1957. The court recognized the popularity of World Cup cricket matches, especially in the Indian subcontinent, and noted that illegal dissemination could harm the plaintiffs' revenues. The court emphasized the protectability of footage, commentary, and other elements under copyright law.

Rogue websites with a history of piracy were likely to continue communicating copyrighted content during the World Cup, justifying the need for an injunction. Failure to grant an injunction would result in irreparable harm to the plaintiffs, and the balance of convenience favoured them.

Justice Prathiba M Singh granted an injunction in Favor of Star India, restraining Defendants 1 through 9 from broadcasting, screening, making available, or otherwise disseminating any portion of the ICC World Cup Cricket matches on any electronic or digital platform. After receiving notice of this order and a copy, Defendants 10 through 17—the Domain Name Registrars—are ordered to lock and suspend the websites within 72 hours. Also instructed to stop the malicious websites right away after receiving copies of the orders are the defendants, aged 18 to 26, who are ISPs and telephone service providers. The directive is for defendants 27 and 28 to prohibit access to these websites.

The court ordered Defendants 1 to 9 to be restrained, domain name registrars to lock and suspend rogue websites, internet service providers to block the websites, and government entities DoT and MeitY to issue blocking orders. Plaintiffs were granted liberty to report any newly discovered rogue websites for real-time blocking. Websites not primarily infringing could seek modification of the injunction by providing undertakings of compliance. Plaintiffs were to continue filing affidavits with the court to keep it informed of websites requiring blocking orders.

3. "WHITEHAT SR" Logo Deceptively Similar to "WHITEHAT JR" Trademark: Delhi High Court

Case No.: Whitehat Education Technology Pvt. Ltd. vs Vinay Kumar Singh [CS(COMM) 856/2022]

Forum: High Court of Delhi

Order Dated: August 2, 2023

Issue: Whether the defendant's use of the domain name "www.whitehatsr.in" and logo is an infringement of the plaintiff's registered trademark, "WHITEHAT JR."?

Judgment: The plaintiff, WhiteHat Education Technology Private Limited, asserted that the defendant's actions constituted trademark infringement and deceitful business practices. The defendant, engaged in digital marketing and web development services, launched a website under the domain name "www.whitehatsr.in" and unveiled a logo strikingly reminiscent of the plaintiff's registered trademark, "WHITEHAT JR." This visual resemblance, notably in the distinctive letter "W" design, prompted the plaintiff's contention that the defendant had intentionally aimed to mislead consumers and sow confusion in the market. The Plaintiff showed the comparison as follows:

Plaintiff's '*WhiteHat Jr*' trademarks	Defendant's marks
WhiteHat Jr WhiteHat Jr	WhitehatSR
	W

mail@lexorbis.com | www.lexorbis.com

The plaintiff initially issued a cease-and-desist notice to the defendant, urging an immediate halt to the usage of the infringing mark. Despite repeated attempts at communication, the defendant refrained from offering a positive response, compelling the plaintiff to file the suit before the Delhi High Court to seek injunctive relief. In December 2022, the Court granted an ex parte ad interim injunction, restraining the defendant from utilising the mark "WHITEHAT SR" and any closely similar marks.

Throughout the proceedings, the defendant opted not to appear before the Court or present any defence. Responding to the plaintiff's motion for summary judgment, the Court evaluated the defendant's prospects of successfully defending the case. The Court observed that if the defendant lacked a viable chance of effectively countering the claim, summary judgment could indeed be granted. Evidently observing the defendant's actions, which encompassed the adoption of a comparable mark and a refusal to comply with the plaintiff's demands, the Court unequivocally established a case of trademark infringement. The Court highlighted the distinctive nature of the plaintiff's registered trademark, "WHITEHAT JR," and noted the striking visual and phonetic similarity to the defendant's logo. In light of the defendant's nonresponsive stance and undeniable infringement, the Court deemed it fitting to award summary judgment in favour of the plaintiff. Consequently, a permanent injunction was issued, proscribing the defendant from utilising the mark "WHITEHAT SR" or any analogous form that could potentially induce confusion among consumers. Additionally, the Court directed the defendant to transfer the ownership of the domain name "www.whitehatsr.in" and granted the plaintiff actual costs, totalling Rs. 9,24,000.

4. Delhi High Court Grants Permanent Injunction and Damages Against Fraudulent Use of Trademark

Case: Indiamart Intermesh Limited vs Mr Sameer Samim Khan & Ors [CS(COMM) 631/2022 & I.A. 14980/2022, I.A. 14984/2022]

Forum: High Court of Delhi

Order Dated: October 10, 2023

Issue: Whether Defendant No. 1, by registering the domain name "https://india-mart.co/" and offering jobs under the name "Indiamart's Data Entry Project," was infringing on the registered trademark of the Plaintiff, and Whether such activities constituted passing off and fraudulent practices?

Order: The Plaintiff is a business-to-business (B2B) portal that provides an online marketplace for businesses to promote their products and services through free and paid listings. The platform facilitates interaction between buyers and sellers. The Plaintiff has various awards to its name and claims to be India's first B2B directory, which commenced operations in 1996.

The Plaintiff coined and adopted the mark "INDIAMART" in 1996 and is the registered proprietor of the domain name http://www.indiamart.com. The said mark is also registered under various classes as a word mark, both in combination with other marks and in device forms under the Trade Marks Act of 1999. The Plaintiff also has various 'INDIAMART' domain names registered under several extensions.

The Plaintiff claims that the mark has achieved a well-known status and has become distinctive of Plaintiff's products and services owing to the large reputation it has built since its inception.

Defendant No. 1 got the impugned domain name https://india-mart.co/ registered in his favour on August 7, 2022. The said website featured photographs of Plaintiff's promoters and also provided the details of Plaintiff's address. On the said website, Defendant No. 1 was offering 'work from home' jobs under "Indiamart's Data Entry Project". The said website offered various plans which could be availed by anyone after payment of application fees of Rs. 899/- and 1199/.

The Plaintiff filed a suit for permanent injunction against Defendant No. 1 for its illegal and unauthorised adoption and use of Plaintiff's registered mark for the purpose of deceiving and duping the public and trade by misrepresenting himself as the Plaintiff/ Plaintiff's representative.

The Plaintiff had sought exemption from advance service to Defendant No. 1. Owing to the nature of the matter and the fact that the Defendant had registered the domain name https://india-mart.co/ and was fraudulently offering jobs using the name of the Plaintiff, the court had granted the exemption and proceeded to pass an ex-parte ad interim injunction in favour of the Plaintiff and restraint the Defendant *"from using the mark 'INDIAMART' or any other mark or name or domain name which is identical or confusingly / deceptively similar to the Plaintiff's mark INDIAMART."*

While granting the said interim injunction, the court also observed, "If the activities of Defendant No.1 are not nipped in the bud, the irreparable injury would be caused not only to the Plaintiff but also to the *public at large that may be deceived by the fraudulent activities of Defendant No.1."*

Even after providing sufficient opportunity to Defendant No.1, he chose not to contest the matter or enter an appearance. The Hon'ble court proceeded ex-parte against Defendant and permanently injuncted Plaintiff from infringing Plaintiff's registered trademark along with awarding punitive damages in favour of Plaintiff.

The Court, while granting the interim injunction to the Plaintiff, observed that Defendant 1 is unmistakably engaged in passing off and fraudulent practices by misrepresenting himself as the Plaintiff or a representative thereof. Defendant 1 was found to be collecting money under the false pretence of providing job opportunities. The website leaves no room for doubt in the Court's view that Defendant 1's entire business is malicious, dishonest, and unlawful, in clear violation of the law.

The Court was satisfied that the three requirements for granting an interim injunction were met. The Plaintiff had a prima facie case against Defendant No. 1, the balance of convenience lay in favour of the Plaintiff, and irreparable harm would be caused to the Plaintiff if the injunction was not granted.

While deciding the matter in finality, the Court observed that there is no contentious issue that arises which would require evidence to be led and that "the case is crystal clear". The court added that Defendant No. 1 was apparently aware of the fact that there was no substantive defence to offer and, hence, chose not to file a written statement.

The court directed the fake domain name used by Defendant No.1 to be blocked and asked the cyber unit of Delhi Police to carry out a necessary investigation into the matter. The court, considering the manner in which Defendant 1 has resorted to a nefarious scheme to dupe innocent persons, in the process infringing the Plaintiff's registered trade mark and representing itself as associated with Plaintiff, awarded Plaintiff Rs. 10 lakhs as damages.

5. Dreamz11 vs. Dream11: Delhi High Court's Verdict on Trademark Rights

Case: Sporta Technologies Pvt. Ltd. And Anr vs Dreamz11 and Anr [CS(COMM) 44/2023 & I.A. 1412/2023]

Forum: High Court of Delhi

Order Dated: October 19, 2023

Issue: Whether the use by the defendant of mark "dreamz11" and website, www.dreamz11.com, an infringement of the plaintiff's registered trademark "Dream11" and website www.dream11.com?

Order: Plaintiff 1, a wholly-owned subsidiary of Plaintiff 2, is the registered proprietor of the trade mark "Dream11". Additionally, Plaintiff 2 manages the website www.dream11.com, offering fantasy games through these trademarks. The dispute arose when the defendants, operating under the mark "dreamz11", were accused of infringing and passing off the plaintiff's registered trademark by providing similar fantasy game services through their website, www.dreamz11.com.

The plaintiff argued that the defendant's mark "dreamz11" was phonetically and deceptively similar to the registered mark "dream11". Furthermore, the plaintiffs argued that the defendant's website, www.dreamz11.com, was deemed confusingly similar to the plaintiffs' domain names, particularly www.dream11.com. Notably, the plaintiffs pointed out that the defendants replicated a unique player arrangement on their platform, mirroring the arrangement featured on the plaintiffs' website. Further, the plaintiff also contended that access to the defendants' fantasy games app on their website is permitted, which is similar to the plaintiffs' method. Additionally, the process for downloading games on the defendant's website is identical to that of the plaintiff, and the defendants have also copied the plaintiffs' Facebook posts on their Facebook page. Despite sending notices to cease infringing, the plaintiffs received no response from the defendants.

Despite sending notices to cease infringement, the plaintiffs received no response from the defendants. In response, the plaintiff sought to block Defendant 1's domain name (dreamz11.com) through GoDaddy. Following a court injunction, GoDaddy suspended access to the domain; defendants 1 and 2 didn't respond to the suit, leading to the closure of the defendants' right to file statements.

The Court asserted that the facts of the case clearly indicated both infringement and passing off, emphasising the phonetic similarity between the marks "www.dreamz11.com" and the plaintiff's mark www.dream11.com. Citing the Pianotist test, the Court considered the look, sound, and context of the marks, as well as the nature of the goods and the likely customers to purchase those goods and services. The Court pointed out that the similarity in services (fantasy games) could lead to confusion, with the only difference being the terminal "z". The websites www.dream11.com and www.dreamz11.com add even more confusion. The defendants' intentional copy of the plaintiff's website, including player arrangements and similar attire, intensified the confusion. The defendants not only copied the plaintiff's app download process but also replicated the step-by-step guide on their website for accessing services. Additionally, they went so far as to duplicate the plaintiff's Facebook posts.

The Court stated that '*the similarities between the plaintiffs' and defendants' marks, the fact that they are used for providing identical services and the consequent likelihood of confusion on the part of the consumer, a clear case of infringement within the meaning of Section 29(2)(b) of the Trade Marks Act 1999 is made out.'*

Additionally, the Court applied the triple identity test due to the deceptive similarity of marks, shared customer base, and both marks being accessible through the same online source. The defendants' replication of the plaintiff's mark and the identical appearance of their website suggest a deliberate effort to confuse users into accessing the defendant's site instead of the plaintiff's, providing grounds for a finding of infringement.

The Court further established that the confusion between the two websites and mobile apps was heightened by the likeness in design and overall user experience of the defendants' website. In continuance, the Court stated that it is evident that the defendants had purposefully and knowingly imitated their website to resemble that of the plaintiffs closely.

The Court noted that Defendants 1 and 2 were not represented throughout the proceedings. Consequently, the plaintiffs were granted a favourable decree. Accordingly, the Court ordered a permanent injunction, restraining the defendants and anyone acting on their behalf from using the mark "dreamz11" or any similar variant thereof as a trade mark, trade name, domain name, part of their e-mail ID, or any other way. Specifically, Defendants 1 and 2 were restrained from using the domain name “dreamz11.com” or operating the website www.dreamz11.com and Defendant 3 was instructed not to register the domain name “dreamz11.com”.

6. The Bittersweet Taste of the "Ginger" Trade Mark

Case: The Indian Hotels Company Limited vs John Doe Alias Amar Associated [CS(COMM) 882/2023]

Forum: High Court of Delhi

Order Dated: December 13, 2023

Issue: Whether the defendant's use of various domain names and websites such as www.gingerhotelmumbai.info and www.hotelgingermumbai.info. Constituted infringement of the plaintiff's registered trademark GINGER and website www.gingerhotels.com?

Order: The plaintiff's grievance in this case is that various domain names and websites have sprung up, which, by infringing the plaintiff's registered trademarks, are inviting persons to pay money to book rooms in the plaintiff's hotels. The plaintiff also provided a tabular comparison of images contained on one such fake website, www.gingerhotelmumbai.info, which replicates images from the plaintiff's genuine website, www.gingerhotels.com, viewing which a consumer would be deceived into believing that bookings with the plaintiff could be accessed through the website www.gingerhotelmumbai.info.

The plaintiff is a hotel company of considerable repute, which was established as far back as 1899. One of the well-known sub-brands of the plaintiff is GINGER, and the plaintiff holds the following registrations of the mark GINGER in both as a word mark as well as in the form of various device marks:

S.No.	Trademark	Registration No.	Date of application/ registration	Class
1.	ginger	1407317	19 December 2005	43
2.	GINGER	3727471	15 January 2018 (user claim: 19 December 2005)	43
3.	GINGER	3849551	1 June 2018	43
4.	GINGER	3858433	13 June 2018	43
5.		3849552	1 June 2018	43

The plaintiff came across the website www.gingerhotelmumbai.info, which purports to be a website through which the booking in the plaintiff's hotel would be secured. It is obvious that the domain name www.gingerhotelmumbai.info infringes the plaintiff's registered trademark. The plaintiff also has a similar domain name, www.gingerhotels.com, thereby exacerbating the possibility of confusion in the minds of the consumer.

The plaintiff submitted that a second similar fake domain name, www.hotelgingermumbai.info, was registered on 5 December 2023. As such, two applications under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC) seeking interlocutory relief have been filed, being IAs 24961/2023 and 24962/2023. The plaintiff submitted that, as knowledge of the second infringing website was gained after the plaint was signed, the plaint does not incorporate reference to the second website.

Hence, the plaintiff approached the Court by means of this suit, seeking a decree of injunction against the aforesaid two domain names and a restraint against any domain name which is deceptively similar to the plaintiff's registered trademark springing up in future.

Concomitantly, the plaintiff also sought directions against Defendant 2 NameCheap, Inc., who is the Domain Name Registrar (DNR) for both the injurious domain names gingerhotelmumbai.info and hotelgingermumbai.info, to permanently delete the domain names. Defendants 3 and 4 are the banks in which the amounts earned through the use of the domain name gingerhotelmumbai.info are deposited. Accordingly, the suit seeks a decree of mandatory injunction directing Defendants 3 and 4 to close the bank accounts in which the aforesaid monies are deposited. The plaintiff also sought directions from Defendant 7, who is a telecom service provider, to block the phone No. 9023915101 used by the registrant of the domain name gingerhotelmumbai.info. The plaintiff further prays that Defendants 5 and 6, who are MEITY and DOT, may be directed to issue necessary directives to Defendants 2 and 7 to ensure compliance with the aforesaid.

The Court noted that the facts stated by the plaintiff, prima facie, make out a case of persons who are resorting to duplicity by floating websites through which members of the public are made to believe that they can book rooms with the plaintiff and, thereby, making illegally financial gains. The case discloses a prima facie case of infringement of the plaintiff's registered trademark as well as an illegal attempt, which is also possibly criminal in nature, by the defendants to dupe the public into making payments at the websites of the defendants, with the hope of obtaining bookings with the plaintiff.

The Court opined that such activities have to be nipped in the bud. Till the next date of hearing, the following interim directions were issued by the Court:

(i) The registrants of the domain names gingerhotelmumbai.info and hotelgingermumbai.info were directed, forthwith, to discontinue the use of the said domain names and to take down the websites www.gingerhotelmumbai.info and www.hotelgingermumbai.info, to which the domain names resolve. If the registrants of the said domain names are also operating any other social media webpages, they would forthwith discontinue the said webpages as well.

(ii) Defendant 2 was directed to suspend and block access to the domain names gingerhotelmumbai.info and hotelgingermumbai.info till the next date of the hearing. Defendant 2 is also directed to disclose, on affidavit, the complete details of the registrants of the aforesaid domain names as already directed hereinabove within one week, with an advance copy to learned Counsel for the plaintiff.

(iii) Defendants 3 and 4 were directed to freeze the bank accounts of Defendant 1, details of which were provided in Document A filed with the plaint. Should the plaintiff come across any other bank account in which the proceeds from the use of the domain names were deposited, the plaintiff would be at liberty to intimate the said bank accounts to Defendants 3 and 4, which would proceed forthwith to block the said accounts as well.

(iv) Defendants 3 and 4 were also directed to place on record, within a week, the complete KYC documents and up-to-date account statements of the aforesaid bank accounts and any other similar bank accounts to which the plaintiff may draw the attention of Defendants 3 and 4 during the pendency of these proceedings.

(v) Defendant 7 was directed to block access to phone No. 9023915101, used by the registrant of the domain name gingerhotelmumbai.info and to place, on affidavit, the complete KYC documents relating to the registrant and owner of the said phone number. Should the plaintiff come to learn of any other phone number/numbers which is/are being used by the registrant of the aforesaid domain name, the plaintiff would place the said details on record by way of an affidavit and provide the said detail to Defendant 7, who is directed in such event to immediately block the said phone number/numbers as well.

(vi) Defendants 5 and 6 were directed to issue directives/notifications calling upon internet service providers registered under them to suspend access to the websites www.gingerhotelmumbai.info and www.hotelgingermumbai.info.

mail@lexorbis.com | www.lexorbis.com

PRIVACY/PERSONALITY RIGHTS

1. Delhi High Court's "Big-B"acklash on Reporting Fake News and YouTube Content

Case: Ms. Aaradhya Bachchan and Anr. vs Bollywood Time & Ors. [CS(COMM) 230/2023]

Forum: High Court of Delhi

Order dated: April 20, 2023

Issue: Whether the intermediaries needed to be proactive in observing due diligence over the content related to children, uploaded by users and hosted on their platforms?

Order: Plaintiff 1, namely, Aaradhya Bachchan, is the daughter of Abhishek Bachchan and Aishwarya Rai Bachchan and the granddaughter of Amitabh Bachchan and Jaya Bachchan, all of whom are celebrities in their own right. The plaint had been filed by her father with the grievance that although plaintiff 1 is a healthy school-going child, some miscreants, merely for the sake of puerile publicity, have, over a period of time, been circulating videos on YouTube, stating that the plaintiff 1 was critically ill. One such video even claimed that she was no more. Morphed pictures were also used in such videos. According to the plaint, the plaintiff's right to privacy was breached through the circulation of such videos as per Rule 3(1)(b)(iii) of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 as amended in 2022 which also imposed a duty on intermediaries to make reasonable efforts to cause the user of its computer resource not to host, display, upload, publish, transmit, store or share any such content or information.

Such acts were also claimed to violate the intellectual property rights which vested in the "Bachchan" family, including copyright in the images and pictures of the plaintiffs. One of the defendants, Google LLC, which runs the YouTube platform, argued that it was difficult to control the content/videos uploaded on YouTube as the videos were not screened before they were posted. It was also argued that though they had special and immediate measures in place, such as a zero-tolerance policy for exceptional cases like child pornography and other such content, only a remedial mechanism was in place for a person objecting to the content by bringing it to the notice of the Google LLC.

The Court held this to be plainly unacceptable. The plaintiffs also pointed out that as per the amendment in 2022 of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, the words "and shall make reasonable efforts to cause the user of its computer resource" had been introduced. As such, the intermediary could no longer claim to be a passive spectator of the information uploaded on its platform but was required to be more proactive. After the said defendants argued their case, the plaintiffs clarified that all they were seeking was that the intermediary, informed by the aggrieved party of the nature of the content available on their platform, should immediately proceed to take it down without lapse of time.

The Court held that the said defendants were duty-bound in law to ensure strict compliance with the entire statutory regime relating to intermediaries by which it is governed, including the 2021 Intermediary Guidelines Rules as amended in October 2022. It was also observed that the Court may have to examine whether the existing policy of the defendant was sufficient to ensure such compliance. As such, the plaint was registered as a suit and the Court also allowed the application for injunctive relief made by the plaintiffs. It was further held that a *prima facie* case was made out in favour of the plaintiffs for grant of *ad interim* relief without waiting for a response from the other defendants to prevent further prejudice to the plaintiffs. Accordingly, the Court directed, *inter alia,* that the 24 URLs of YouTube as identified in the plaint, allegedly in breach, be immediately taken down and that no such other or similar content be uploaded or hosted, and this would encompass all such videos pertaining to the physical condition of plaintiff 1 Aaradhya Bachchan.

Further, if the plaintiffs brought to the notice of Google LLC of any other video clip uploaded on YouTube pertaining to the health of plaintiff 1, then Google LLC would have to immediately proceed to take down such URLs. Furthermore, the Ministry of Electronics and Information Technology (MeitY) was also directed to block access to the aforesaid content as well as any similar content on the plaintiffs, bringing the same to their notice.

2. No Stay on Release of "Sirf Ek Banda Kaafi Hai"

Case: Shri Om Prakash Lakhyani Trustee vs Union of India [S.B. Civil Writ Petition No. 6922/2023]

Forum: High Court of Rajasthan

Order Dated: May 26, 2023

Issue: Whether the release of the film "Sirf Ek Banda Kaafi Hai" violates the petitioner's right to privacy and infringes upon their reputation?

Order: The applicant filed the present stay application against the release of the film "Sirf Ek Banda Kaafi Hai" in the cinema house and OTT platforms. The petitioner was found guilty of offences under the Indian Penal Code (IPC) and Protection of Children from Sexual Offences Act (POCSO Act) by the Trail Court; the appeal is still under adjudication before the Hon'ble Court. The petitioner claimed that his depiction in the movie was highly objectionable and caused damage to his dignity and repute, which violates the right to privacy under Article 21 of the Constitution of India.

The petitioner further argued that one of the respondents represented the victim as her attorney in the criminal case brought against the petitioner and that the film in question depicts the events of that criminal trial. He has sold his rights to the respondent movie producer in clear violation of the professional ethics outlined in the Advocates Act of 1961 and the Bar Council of India Rules. On the other hand, the respondent argued that the movie in question clearly states at the beginning that it is a fictional work that was inspired by actual life events, which are firmly within the public domain and, therefore, have no negative effects on the petitioner's reputation or dignity. The Court observed that the movie in question hinges on the petitioner's criminal trial and, hence, violates his right to privacy and fair trial. However, after watching the trailer, the Court believed nothing was directly related to the petitioner. After considering the factual matrix, the balance of inconvenience is in favour of the respondent, as the grant of injunction will cause irreparable loss. The Court did not find any irreparable loss to the petitioner, and the stay application was dismissed.

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3. Bombay HC Directs Removal of Defamatory Statements Against Adar Poonawalla

Case: Serum Institute of India Pvt. Ltd. And Anr. vs Yohan Tengra and 6 Ors [Interim Application (L) NO. 33254 OF 2022 in SUIT (L) NO. 33253 OF 2022]

Forum: High Court of Bombay

Order Dated: June 5, 2023

Issue: Whether the defendants' dissemination of defamatory statements warrants a restraining order and removal of the content?

Judgment: The Bombay High Court delivered a judgment dated June 05, 2023, in a dispute between Serum Institute of India Pvt. Ltd. and defendants who were found guilty of disseminating defamatory statements against the company. The court ruled in favour of Serum Institute and its CEO, Adar Poonawalla, and issued an order prohibiting the defendants from engaging in any form of derogatory or defamatory communication about Serum Institute or Adar Poonawalla through various mediums. Furthermore, the court mandated the removal and deletion of all existing defamatory content while also demanding an unconditional apology recognising the groundless and unjustified nature of the remarks.

The case stemmed from a defamation lawsuit filed by Serum Institute in response to the defendants' dissemination of false information suggesting the closure of Serum Institute of India and the arrest of Adar Poonawalla. Adar Poonawalla, renowned for his substantial contributions to vaccine manufacturing and trade, gained recognition during the COVID-19 pandemic due to the development of the 'Covishield' vaccine. The defendants cited a previous court order related to a compensation claim regarding the alleged adverse effects of the Covishield vaccine. Subsequently, they took to their social media platforms to make derogatory statements, incite anger and animosity among the public, and falsely accuse the plaintiffs of causing deaths. In presenting their case, the plaintiffs emphasised the approval process for clinical trials and the widespread administration of the Covishield vaccine across the nation, among other arguments that bolstered their position.

The court highlighted that the defendants were required to demonstrate that their statements were made in good faith and served the public interest. The court took into account an affidavit submitted by the Ministry of Health and Family Welfare, which affirmed that the plaintiffs had saved millions of lives in India, contradicting the defendants' assertions that their vaccines had caused fatalities.

Addressing the defendants' arguments, the court dismissed claims regarding the statute of limitations, the lack of specification of defamatory statements by the plaintiffs, and references to the writ petition concerning the death of a girl. The court concluded that the contents were inherently defamatory and ruled in favour of Serum Institute, Adar Poonawalla, and the other plaintiffs. It clarified that the case solely revolved around defamatory content directed at the plaintiffs and was not concerned with the quality of the vaccine. Consequently, the Bombay High Court issued an order restraining the defendants from disseminating defamatory statements and mandated the removal of existing content.

4. Examining Privacy, Publicity and Celebrity Rights

Case: Krishna Kishore Singh vs Sarla A Saraogi [CS(COMM) 187/2021, I.A. 10551/2021 & I.A. 14436/2021]

Forum: Delhi High Court

Order Dated: July 11, 2023

Issue: Whether being a celebrity grants individuals a unique combination of personality rights, privacy rights, and publicity rights, which cannot be exploited without their consent?

Order: The plaintiff, Sushant's father, alleged that the defendants produced and directed the film based on the life of Sushant Singh without obtaining the necessary permissions from the family. The Plaintiff in the case argued that being a celebrity grants individuals a unique combination of personality rights, privacy rights, and publicity rights, which cannot be exploited without their consent. The Plaintiff contended that the film based on Sushant Singh Rajput's life contained defamatory statements and unverified news articles, violating his right to privacy guaranteed by the Indian Constitution. The plaintiff stressed the need for consent before publishing anything about Rajput and claimed that the film undermined his privacy rights by retelling his life based on various news reports.

Furthermore, the plaintiff asserted that as a celebrity, Sushant Singh had the right to control his name, image, and likeness, and any misuse or misrepresentation of these elements would infringe upon his personality rights. The Plaintiff, as Sushant Singh Rajput's lawful successor, argued for the inheritance of these rights and sought an injunction to protect their reputation and prevent irreparable harm caused by the film.

The potential irreparable injury to the Plaintiff, Sushant Singh's family, and their reputation were highlighted, with claims that the film's content was promiscuous, immoral, and defamatory, tarnishing Sushant Singh's name worldwide. Concerns were also raised about the impact of the film on the ongoing investigation into Sushant Singh's death, potentially prejudicing the fair trial process.

On the other hand, the defendant argued that if the right to privacy does not extend beyond a person's death, the right to publicity should also cease to exist. They contended that assuming Sushant Singh Rajput had publicity rights during his lifetime, those rights expired with his death and cannot be advocated by the plaintiff.

The defendant emphasized that no violation of the right to privacy or publicity can be claimed when the film in question is based on publicly available facts. The defendant argued that the right to privacy does not cover publicly known facts and cited relevant judgments to support their stance. Additionally, since the plaintiff did not raise objections to the publications in the public domain, the Defendant contended that they cannot complain about the film violating their or Rajput's right to privacy.

Furthermore, the defendant asserted that neither Sushant Singh nor the plaintiff could claim defamation based on the film's content. They argued that the movie did not mention Sushant Singh's name, image, or photograph, nor did it caricature him. Instead, the film drew inspiration from widely reported events that were part of the public record.

Regarding the right to make a movie based on publicly available information, the defendant claimed that it is protected by the constitutional right to free speech. They argued that the law does not require moviemakers to obtain prior consent or verify the truth of the material if it is derived from sources in the public domain.

Lastly, the defendant claimed that the plaintiff lacked standing to maintain the lawsuit since privacy rights, publicity rights, and protection against defamation are personal and do not survive the person concerned. They contended that one person cannot advocate for another person's privacy or publicity rights or claim defamation on their behalf.

Upon viewing the impugned movie, the court held that the film is an explicit re-enactment of Sushant Singh's life and the circumstances leading up to his tragic death, with a particular focus on the subsequent investigation. The movie follows a specific sequence of events that bear a striking resemblance to known details about Sushant Singh's life, as reported in the media. The similarities between the movie and Sushant Singh's real-life events are not mere coincidences but deliberate re-enactments.

The court summarized several principles related to the rights of privacy, publicity, and personality based on previous judgments. These principles include the unauthorized use of a person's name or likeness violating their right to privacy, the remedy of suing for damages rather than seeking an injunction in such cases, and the inability of one person to assert the right to privacy on behalf of another without proper authorization.

The court also recognized that if a publication is based on public records or court records, it does not invade the right to privacy. It noted that public officials or public figures cannot maintain an action for damages for violation of the right to privacy unless the publication was made with reckless disregard for the truth.

The court held that if a publication or movie is based on prior published material available in the public domain, and the plaintiff did not challenge or impugn that material, no injunction can be sought against the subsequent publication or movie based on it. However, the right to sue for damages still exists in such cases.

The court further stated that the right to publish or disseminate information, including through a movie, is guaranteed by Article 19(1)(a) of the Indian Constitution, as long as it does not infract Article 19(2). The publisher is not required to seek permission from the person about whom the publication is being made or verify the truth of its contents if the information was previously available in the public domain.

The court held that the rights invoked in the lawsuit, such as the right to privacy, publicity, and personality, are not heritable and ceased to exist upon Sushant Singh Rajput's death. Therefore, they cannot be claimed by the plaintiff. The court concluded that the impugned film, based on publicly available information, does not violate Sushant Singh Rajput's or the plaintiff's rights.

The court rejected the notion of recognizing "celebrity rights" as a distinct set of rights exclusively available to celebrities, stating that it would be inappropriate to establish additional rights for celebrities in a system that guarantees equality.

The court dismissed the plaintiff's concerns about the impact of the film on the right to a fair trial, expressing confidence in the integrity of the legal system to prevent prejudice caused by the film's content. The court also addressed the plaintiff's claim of passing off, noting the difficulty in applying this tort in reverse.

This judgment provides clarity on the notions of personality and celebrity rights and the right to a fair trial. It establishes that personality rights should be available to all individuals, irrespective of their celebrity status. Moreover, it reaffirms the robustness of the legal system in ensuring fair trials, while dismissing the possibility of prejudice caused by external factors such as a film.

5. Artist Agreement Breach and Importance of Safeguarding Artiste Rights

Case: Divya Spandana alias Ramya vs Gulmohar Films Pvt. Ltd. and Others [Com OS/812/2023]

Forum: Commercial Court of Bengaluru

Judgment Dated: July 17, 2023

Issue: Whether the use of the plaintiff's the name, photographs, video clips, and GIFs in film "Hostel Hudugaru Bekagiddare," without her explicit consent, a violation of her rights and reputation?

Judgment:

Divya Spandana, aka Ramya, filed a lawsuit seeking a permanent injunction to prevent the unauthorised use of her name, image, and video clips in the film titled "Hostel Hudugaru Bekagiddare." The plaintiff alleged that the defendants violated the terms of an artiste agreement by utilising her name, photographs, and likeness without her approval. The agreement clearly stated that the producer could only use her name and other aspects with her explicit consent. Additionally, the plaintiff claimed that creative decisions were meant to be mutually agreed upon, and she should have been given the opportunity to review the film before its release.

In June 2023, despite the plaintiff's prior refusal to participate in the film, the defendant sent video clips of scenes featuring her, seeking her confirmation. However, the plaintiff requested the defendants to stop the process, but they continued without her approval, even setting a release date for the movie and its trailer. The trailer prominently featured the plaintiff's video clips, images, and GIFs, leading to a significant violation of her rights and reputation.

The court noted that the plaintiff had a valid artiste agreement with the defendants, which they breached by disregarding her objections and using her name and images in the film and trailer without her consent. This unauthorised usage potentially infringed upon the plaintiff's moral rights protected under the Copyright Act, as well as her performer's rights. Consequently, the defendants were directed to remove all trailers of the film "Hostel Hudugaru Bekagiddare" that included the plaintiff's name, photographs, video clips, and GIFs from social media platforms.

Furthermore, the court restrained the defendants from releasing the film "Hostel Hudugaru Bekagiddare," which contained the plaintiff's name, photographs, video clips, and GIFs, either directly or indirectly incorporated, until the next court date. The court's decision to grant a restraining order aims to safeguard the plaintiff's rights and reputation, preventing any further unauthorised use of her image in the film and its promotional materials. This court order represents a critical step in preserving the rights of artists and sets a precedent for similar cases in the future.

The court's recognition of the artiste agreement and its enforcement through the restraining order sets a crucial precedent for safeguarding the integrity and dignity of performers. This order emphasises the importance of obtaining explicit consent from artists for any usage of their name, likeness, and creative contributions, reinforcing the respect and protection of their rights.

6. Who Owns Jhakaas: Examining Personality Rights in India

Case: Anil Kapoor vs Simply Life India and Others [CS(COMM) 652/2023 and I.A. 18237/2023-18243/2023]

Forum: High Court of Delhi

Order Dated: September 20, 2023

Issue: Whether the use of the image, voice, likeness, and photograph of Anil Kapoor without his explicit consent, a violation of his rights and reputation?

Order: The recent relief granted to Anil Kapoor by the Delhi High Court through the ex-parte interim order is in light of this dangerous trend. The Court held that the image, voice, likeness, and photograph of Anil Kapoor cannot be used on any merchandise or to promote any event without his express consent.

Moreover, the derogatory manner in which his image was being morphed and used by some websites was offensive and had to be curtailed so as not to tarnish the reputation of the celebrity, who has built it assiduously through his hard work over a lifetime.

Further, the Court ordered that the control of the three domain names, i.e. www.anilkappor.in, www.anilkapoor.com and www.anilkapoor.net, that third parties were using will be handed over to Mr. Anil Kapoor on payment of requisite fees.

There is a precedent to this decision in the well-known 2011 order of the Delhi High Court, in the matter of *Arun Jaitley vs Network Solutions Pvt Ltd and Others*, where Arun Jaitley was able to get back www.arunjaitley.com from domain name squatters who were using his name without his authorisation.

However, certain aspects of the Anil Kapoor order are not as straightforward as the forgoing discussion. One such aspect is the restraint against using the word *JHAKAAS* in the manner and style in which Anil Kapoor spoke it. "*Jhakaas"* is a colloquial Marathi word that can be loosely

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translated to mean fantastic and was used in the film *YUDDH*. Several people may have heard this word in Marathi cinema more often and associate it with those characters. It makes it difficult to ascertain how different the rendition of the word is from how Anil Kapoor rendered it in the movie Yuddh. Therefore, the debate over the right to use "Jhakaas" remains prominent, especially regarding the legitimate use of this word in films released after this interim order.

Further, while an injunction has been granted against the use of Jhakaas, there is some debate around whether the Actor can be entirely credited with the success of the dialogue, which is part of a film and was created by the teamwork of the producer, screenplay, writer and director in conjunction with the Actor.

Similarly, the iconic characters like Majnu Bhai, Lakhan, Mr. India, etc., that the Actor played were created by the teamwork of the entire production unit in addition to the Producer and Director who made the film a reality on a reel and created a larger-than-life personality which the Actor depicted on screen. Clearly, the contribution of all these stakeholders should be addressed.

Moreover, over the years, mimicry artists and stand-up comics have regaled the audience with performances using iconic dialogues like KITNE AADMI THE, or how Shahrukh Khan spoke "KKKKiran" in the movie Darr. The question remains whether these acts will soon be forbidden if similar orders are granted to restrain their use. At present, stand-up comics do not fall foul of the law based on the fact that they were performing with the express intent only to entertain. There is no doubt in the audience's mind that what they watch is a copy, not the original dialogue. Still, if these restrictions are taken too far, then the broadcasting of such comedy shows may also be considered to be violative of the rights of the original actors or the film producer who owns the copyright in the film.

Further, stringent protection from such "misuse" may reduce the recall value of the dialogues on which celebrities rely, and the practice may become counter-productive if the iconic characters begin to feed out of public memory. Clearly, there is a need to carefully examine these aspects as the legislation around personality rights, character merchandising, and caricature of artists' performances evolves.

Another aspect to consider is the sale of the collection of old postcards with pictures of Anil Kapoor, which a fan wanted to sell online. If the person legitimately had the postcards, having purchased them long ago without any means to prove it now or verify who owns the copyright in the image, the question arises as to whether the celebrity can be allowed to stop the sale of the postcards.

7. Fair Criticism vs Malicious Reviews: Kerala HC Seeks Response from State Police on Online Movie Reviews

Case: Mubeen Rauf vs Union of India & Ors. [WP(C) No.32733/2023]

Forum: High Court of Kerala

Order Dated: October 6, 2023

Issue: Whether malicious online reviews impact the film industry's reputation?

Order: In the case of Mubeen Rauf v. Union of India & Ors., the Kerala High Court has addressed concerns related to malicious and derogatory movie reviews posted on the internet to tarnish a film's reputation. Mubeen Rauf, the director of the film "Aromalinte Adyathe Pranayam," filed a petition highlighting the damaging effects of unrestrained negative criticism by vloggers on the film industry. He sought the court's intervention to protect the film industry's integrity and livelihood.

Justice Devan Ramachandran considered the matter a serious one and directed the Government Pleader to obtain instructions from the State Police Chief regarding protocols to safeguard the movie industry from such denigration. The court wants to ensure that steps are taken to distinguish between genuine movie reviews and reviews made with malicious intent, such as extortion and blackmail.

The court emphasised the need for carefully thought-out protocols to differentiate honest and bona fide reviews from those with malicious interests. It pointed out that while free speech is constitutionally guaranteed, it must be exercised with reason and restraint, per Article 19(2) of the Indian Constitution.

The court underlined the distinction between fair criticism and malicious attempts to harm a film and its team. It encouraged regulatory authorities to implement measures allowing filmmakers and others associated with movies to file complaints, leading to proper investigations under penal laws and cybercrime legislation.

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ADVERTISING

1. Delhi High Court Dismisses Dabur's Appeal While Allowing Altered Advertisement

Case: Dabur India Limited vs Advertising Standards Council of India [FAO 323/2022]

Forum: High Court of Delhi

Order dated: January 9, 2023

Issue: Whether the claims in the Ad for the product 'Dabur Vita' stating (i) 'India's Best Immunity Expert'; and (ii) 'No Other Health Drink Gives Your Child Better Immunity' violative? Did the Ad deserve to be blocked?

Order: This is an appeal against an order of the Trial Court dismissing the plaintiff-appellant's application for interim injunction. The appellant had filed a suit for declaration, permanent and mandatory injunction wherein it was claimed that it was a company, having amongst other business of mass production, of Ayurvedic Medicines. It was also claimed that it was the first legal entity in India to provide healthcare through scientifically tested and automated production of formulations based on traditional Ayurvedic science.

This case pertained to an advertisement issued by the appellant for their product 'Dabur Vita', which was claimed to be an 'Ayurvedic Medicine'. In the said advertisement, it was claimed that the ingredients in the product promoted immunity, and the product offered double the superior benefits of growth and immunity with superiority on taste compared to others in the milk food drinks category.

The respondent is a voluntary self-regulatory council governed by its self-regulation code called the ASCI Code, under which a mechanism is available to deal with complaints against advertisements. It received a complaint from a third party against the use of claims about the appellant's product, stating (i) 'India's Best Immunity Expert' and (ii) 'No Other Health Drink Gives Your Child Better Immunity'. It was alleged that the 2nd claim was superlative and undermined the benefits consumers may get from any/all other products available.

Such claims also had no scientifically verifiable comparative studies. Based on the observations of the Fast Track Complaints Panel, ASCI, the impugned communication dated February 4, 2022, was issued by the respondent. In the impugned communication/request made by the respondent, all concerned media channels were to be directed to stop the release of the said Ads, and reference to its decision was made, which observed that the claims in the Ad were inadequately substantiated, were misleading by exaggeration and likely to cause widespread disappointment in the minds of consumers. The claims were also stated to be denigrating all other products in the health drink category. The impugned order also dismissed the payer for an injunction against the said communication, subject to the present appeal.

The Court held that although harmless puffing or hyperbole in an Ad may be permissible, misleading claims made in Ads, especially when the products relate to human consumption, should be considered on a different footing. The Court *prima facie* observed that the Ad in the present case fell in the latter category and that it was misleading, as the efficacy of the appellant's product was yet to be established as per the established norms. The Court also noted that the plaintiff-appellant had *inter alia* prayed before the Trial Court for a declaration and directions to the respondents not to publish its order/decision dated February 4, 2022, and not to create impediments in the broadcast of the Ads in question. However, it wasn't prayed that the said order would be set aside.

The Trial Court refused to grant an injunction against the respondent since the appellant could not show that the respondent tried to interfere with the broadcast of the advertisement in question as the respondent did not have the authority to block the broadcast of the advertisements, and it could only send its recommendations to the Government of India to issue necessary directions. The decision to block the broadcast rested with the Government and not the respondent.

Also, no evidence was produced before the Trial Court to show that the respondent tried to exceed its remit by sending communications to broadcasters directly requesting them to stop the broadcast of the advertisement in question. In view of the above, the present appellate Court also refused to interfere with the order of the Trial Court, and the same was upheld. Accordingly, the appeal was dismissed.

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2. Harsh Words not a Thief of Reputation

Forum: High Court of Delhi

Case: Marico Limited vs Dabur India Limited [CS(COMM) 471/2022]

Order Date: June 2, 2023

Issue: Whether the WhatsApp and print advertisements of the defendant disparaged the plaintiff's product and registered trademarks?

Order: Marico Limited (Plaintiff) filed a suit against Dabur India (Defendant) seeking an ad interim injunction restraining it from communicating or sharing its WhatsApp and print advertisements alleging that it disparaged Marico's product "Nihar Natural Shanti Badam Amla Hair Oil," and its registered trademarks. The plaintiff alleged that the opening statement in the print advertisement "*Yaad Rakhna, Sasta Aawla, balo ko mehenga padega*", which translates to "Remember, if you use cheap gooseberry, your hair will suffer" in English, constituted generic disparagement and false representation of fact.

Marico claimed that the advertisement features a bottle resembling its product, marked with a large red cross, suggesting a rejection of Marico's offering. Additionally, a WhatsApp message circulated alongside the print advertisement depicted a boxing glove knocking down Marico's bottle, indicating a targeted effort against the plaintiff and its product.

However, the defendant argued that the term "*sasta*" in the impugned print advertisement is neither disparaging the plaintiff's product nor is it misleading. The advertisement does not refer to the plaintiff's product. The term "*sasta*" refers to hair oils that are inexpensive in terms of quality and price, asserting the superiority of their Amla hair oil over ordinary and cheaper alternatives.

To assess whether the print advertisement could be considered disparaging, the court applied the test of an ordinary average consumer and evaluated its impact on them. The court relied upon the decision of the division bench in *Pepsi Co. Inc. and Ors v. Hindustan Coca-Cola Limited*, which observed

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that while deciding the question of disparagement, one must consider the intent, manner, and storyline of the commercial along with the message sought to be conveyed by it.

The court held that out of these factors, “manner of commercial” is very important. If the impugned advertisement ridicules or condemns the products of the competitor, it amounts to disparagement. However, if the impugned commercial is merely stating the qualities of one’s product as being better or best without derogating other’s product then that is not actionable. Mere puffing of goods is not actionable. The court observed that a tradesman can claim their goods to be best or better, but by way of comparison, the tradesman cannot slander or defame the goods of the competitor or call them bad or inferior.

The court referred to a previous judgment by the Bombay High Court, which concluded that a similar advertisement did not imply the inferiority of all cheaper Amla hair oils. Instead, it aimed to caution consumers about potential risks associated with using such products, highlighting the importance of quality. It held that a consumer while reading the print advertisement, would not be able to relate the term “*sasta amla*” to the plaintiff’s product as the bottle in the advertisement neither refers to nor directly or indirectly implies the plaintiff’s product. It is also not a generic disparagement of all cheaper Amla Hair Oil. Thus, the court classified the advertisement as puffery rather than defamatory.

Furthermore, the court acknowledged that the reference to "*Asli Amla, Dabur Amla*" in the print advertisement was a registered trademark of the defendant, entitling them to use it. The tagline did not imply that only the defendant's product was genuine but emphasised the need to pay attention to quality. The court also dismissed the plaintiff's challenges regarding the claim of two times extra strength in the defendant's hair oil, as these claims had been previously considered by courts and regulatory bodies.

The plaintiff claimed that the WhatsApp advertisement was circulated with the defendant's concurrence, while the defendant denied any involvement. However, evidence indicated that the defendant's employees were indeed involved in originating and circulating the WhatsApp message.

Considering the circumstances, the defendant expressed no objection to an injunction on the circulation of the WhatsApp advertisement. The court acknowledged that the message appeared to have originated from the defendant's employees. However, the court also reviewed an email exchange between the defendant and its advertising agency, which focused on highlighting the strength and quality of the defendant's product. Consequently, the court determined that although the defendant's employees may have been involved in the circulation, their intent was not to disparage the plaintiff's product but rather to convey the superiority of their product.

Following a comprehensive examination of the print and WhatsApp advertisements, the court arrived at the finding that the print advertisement did not contain any evident reference to the plaintiff's product. The inclusion of the term "*sasta amla*" in the advertisement did not have any direct or indirect implications for the plaintiff's product. As for the WhatsApp advertisement, since the defendant acknowledged that it had no objection to an injunction on its circulation, the court granted an injunction restraining the defendant from publishing it.

3. Mankind Allowed to Advertise DMF Quality Medicines, But with Disclaimer

Case: Mankind Pharma Limited vs The Advertising Standards Council of India [CS(OS) 768/2023]

Forum: High Court of Delhi

Order Dated: November 28, 2023

Issue: Whether the order passed by ASCI based on the Complaint of a law student against the Plaintiff was fair and valid?

Order: This suit was filed by the Plaintiff, Mankind Pharma Ltd., seeking a decree of permanent injunction restraining the Defendant, its directors, principals, officers, employees, agents, representatives and assigns from creating impediments in the dissemination of the Plaintiff's advertisement.

The plaintiff company started using Active Pharmaceutical Ingredients (APIs) procured from USFDA-registered plants with valid DMF numbers in its medicines. Plaintiff submitted that the Drug Master File (DMF) has all the information on the manufacturing, stability, quality, packaging, purity, and impurity profile of the API for authorities to ensure that medicines of higher quality, including very detailed and strict impurity profiles which safeguard against unknown adverse reactions. In June 2023, Plaintiff came up with an advertisement campaign informing the public about the company's initiative regarding procuring DMF Quality APIs for its medicines and spent INR 33 Crores on the advertisement.

The complainant is a law student who filed a complaint before ASCI and claimed that the Plaintiff's advertisement claims that the medicines sold by the Plaintiff are of better quality and are more effective than any other Indian medicines. However, DMF is not required by law for quality approval in India, and promoting the advertisement on that basis may lead the public to believe that other drugs are not safe to consume.

The suit further seeks a decree of permanent injunction restraining the Defendant from circulating the order dated 8 November 2023 to its

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members, the Government or the general public in any manner, and a decree setting aside the findings in the Defendant's order dated 8 November 2023 against the Plaintiff's advertisement; and a decree of declaration that the Plaintiff's advertisement and the claims made therein are fair and honest and does not constitute a violation of the requirements under the ASCI Code or any other advertising laws.

The Plaintiff submitted that the advertisement concerns the company's initiative, not a particular product. It was submitted that though the Plaintiff is not a member and therefore cannot be subject to ASCI, it sent a detailed response. However, the ASCI vide review order dated 08.11.2023 passed an order upholding the Complaint without considering the preliminary submissions made by Mankind and has also not given any reasoning as to why the previous order passed was incorrect.

The Defendant submitted that the suit was filed on the basis of a recommendation made by an advisory expert body, which has no penal repercussions, and the only action taken by the Defendant in case of non-compliance is to inform the regulatory authorities thereby, leaving it up to them to take whatever action if at all, is necessary. Further submitted, the Plaintiff is attempting to avert the regulatory/statutory proceedings by approaching this Hon'ble Court prematurely.

The Defendant submitted that the present suit is premature because the issue in the present suit is limited to how the product is being advertised and not to the actual sale of the product. Thus, Defendant submitted that the present suit is liable to be dismissed on account of lack of cause of action as the impugned order is merely a recommending order, as well the entire suit rests on the apprehension of future injury, i.e. a quia timet case.

In view of the submissions made, the Delhi High Court directed that the Plaintiff shall run the modified advertisement, avail the remedy of the independent review process within 10 days, and may take all the objections as available under law. The department shall take the steps for the decision in accordance with the law.

The court further directed that in the meanwhile, the Defendant shall not send the recommendation as contained in the impugned order in the e-mail dated 08.11.2023 addressed to Ms. Gunjan Virmani, M/s Mankind Pharma Limited. However, if the Independent Review Process decides against the Plaintiff, the respondent shall not send the recommendation to the appropriate authority for two weeks.

4. The Gameplay Between Misleading Advertisements, Puffery and Commercial Speech

Case: Dabur India Ltd. vs Advertising Standards Council of India and Anr. [CS(OS) 737/2023 & I.A. 22579/2023]

Forum: High Court of Delhi

Order Dated: December 12, 2023

Issue: Whether the plaintiff- Dabur India Ltd, advertisement ‘World’s leading Ayurvedic paste’ for its Dabur Red Paste was against the ASCI code?

Order: This case was filed by the Plaintiff - Dabur India Limited, seeking inter alia stay of the order dated 30th September 2023 issued by Defendant No. I-Advertising Standards Council of India (hereinafter, ASCI).

The issue in the suit was in respect of an advertisement published by the Plaintiff for ‘DABUR RED PASTE’, 

The advertisement was challenged by Defendant No.2 - Vi-John Healthcare India LLP, and it raised a complaint before the ASCI. The ASCI, vide email dated 13th July 2023, intimated the Plaintiff regarding the complaint by Defendant No.2. Further, it sought clarifications regarding the Plaintiff's claim of 'World's No. l Ayurvedic paste' along with documentary proofs.

In response to the said email, Plaintiff inter alia submitted market research studies conducted by Mordor Intelligence Pvt Ltd and disseminated the said documents to the ASCI's technical expert. Nevertheless, the CCC of ASCI expressed its dissatisfaction, specifically concerning the authenticity of the data source supporting a claim such as ‘World’s No.l Ayurvedic paste’ which purports to display global leadership for its ayurvedic toothpaste.

The ASCI, vide the impugned order dated 30th September 2023, directed the Plaintiff to modify its advertisement and restrain itself from publishing it on the grounds that the said advertisement is misleading and constitutes an unfair portrayal and exaggeration, contrary to Clauses 1.1, 1.4 and 1.5 of the ASCI Code.

Vide order dated 24 November 2023, the Court directed ASCI to cite relevant case laws in respect to the preliminary objection of the jurisdiction. The Court also observed that since the Plaintiff has not republished the advertisement, ASCI shall not send the impugned recommendation dated 30th September 2023 to its members if it has not already been sent. This would ensure that Plaintiff's publications of other advertisements are not jeopardised in any manner.

The ASCI contested the jurisdiction of the Intellectual Property Division (hereinafter IP Division) of the Delhi High Court. She has handed over a short note on the issue of jurisdiction as per the order dated 24th November 2023.

Considering the grounds raised, the Court deemed it appropriate to direct the ASCI to file a short reply to the application under Order XXXIX Rules 1 & 2 CPC and a written statement, if so, to advise raising the issue of jurisdiction.

Defendant No.2- Vi-John Healthcare India LLP, submitted that they had merely raised a query in view of certain circumstances, which had existed at the relevant point of time when ASCI had sought to take action against Vi-John in respect of another advertisement of Vi-John. However, Vi-John no longer presses this as a complaint against Dabur before the ASCI.

The Court perused the report of Mordor Intelligence Pvt. Ltd., which, according to the Plaintiff, was the basis of the advertisement, which was issued claiming to be the 'World's number 1 Ayurvedic Toothpaste'. After having perused the report and the objections raised by ASCI, the Court opined that the advertisement cannot remain injuncted forever.

The Court opined that advertising is part of commercial speech and some puffery is allowed as long as the same does not go beyond the grey areas

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and the assertions made are reasonable. In this context, the above advertisement cannot be said to be without any basis. Moreover, the report relied upon by the Plaintiff also cannot be completely ignored, and some credence can be given to the fact that, as per the report, the Plaintiff is selling one of the major toothpaste brands. In the opinion of this court, in business, some amount of freedom ought to be given to the advertiser.

The Court permitted the plaintiff to publish the said advertisement, however, with a slight modification to the following effect that the Plaintiff may use the phrase: ‘World’s leading Ayurvedic paste’ instead of ‘World’s number 1 Ayurvedic paste’.

PLANT VARIETIES AND FARMERS' RIGHTS

1. Civil Court Lacks Jurisdiction to Determine Validity of Registered Plant Variety

Case: Pan Seeds Pvt. Ltd. vs Ramnagar Seeds Farm Pvt. Ltd. and Ors. [F.M.A.T 11 of 2023 CAN 1 of 2023]

Forum: High Court of Calcutta

Judgment Dated: June 9, 2023

***Issues*:**

- Whether the respondents were infringing the appellant's exclusive rights acquired through the registration of their plant variety?

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- Whether the registration of the appellant's variety PAN 804 is valid?
- Whether the civil court had the jurisdiction to decide on the validity of the registration?

***Judgment*:** The appellant, Pan Seeds Pvt. Ltd., applied for the registration of their seed variety called PAN 804 under the Protection of Plant Varieties and Farmers' Rights Act, 2001 (PPVFR Act). The appellant alleged that the respondents, Ramnagar Seeds Darm Ovt. Ltd, were engaging in the use, sale, and production of seeds under the names JAMUN and DURONTO, which were identical to the appellant's variety.

According to the appellant, this constituted an infringement of their exclusive rights obtained through the registration of their plant variety. The appellant filed an interim application for an injunction, seeking to restrain the respondents from continuing their alleged infringement. The court ruled that the respondents were indeed guilty of infringing the appellant's exclusive rights acquired through the registration of their plant variety.

Furthermore, the court found that the registration of the appellant's variety PAN 804 was valid. However, the court also held that the civil court did not have the jurisdiction to determine the validity of the registration.

In reaching its decision, the court referred to various sections of the PPVFR Act, including Sections 14, 17, 23, 28, and 31. These provisions supported the court's reasoning that the registration of a plant variety under Section 24 of the Act grants exclusive rights to the breeder without any conditions. The court emphasized that the validity of such registration cannot be questioned in a civil court.

It noted that the jurisdiction of the civil court is limited and does not extend to determining the validity of registrations under the PPVFR Act. In conclusion, the court determined that the respondents had infringed the appellant's exclusive rights obtained through the registration of their plant

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variety. It affirmed the validity of the registration of the appellant's variety PAN 804 and stated that this validity could not be challenged in a civil court.

The court rejected the respondents' request for a stay of operation of the judgment and order. Therefore, the judgment and order would continue to be in effect without any suspension.

2. Dissecting the Plant Varieties: The PepsiCo India Holdings Pvt. Ltd. vs Kavitha Kuruganti Case

Case: Pepsico India Holdings vs Kavitha Kuruganti [C.A.(COMM.IPD-PV) 2/2022 & IAs 7898/2022 & 7900/2022]

Forum: High Court of Delhi

Judgment Dated: July 5, 2023

Issues:

- Whether the Authority exceeds its jurisdiction by re-evaluating the facts of the appellant's registration application?
- Whether the revocation of the appellant's registration based on the application category of "New Variety" is arbitrary, unreasonable, harsh, and disproportionate?
- Whether the bona fide mistakes in the application form be grounds for revoking the registration?
- Whether the Impugned order wrongly declared the Assignment Deed as invalid?
- Whether the Registration granted by the registrar can be revoked u/s 34 of the Act?

Judgment: The court emphasised that the Act deals with intellectual property rights pertaining to plant varieties and compares these rights to other forms of intellectual property like patents, trademarks, copyrights, and designs. These rights are statutory in nature and don't exist under common law.

The court reviewed the Act's provisions relating to the protection of plant varieties and highlighted that the Act aims to strike a balance between the rights of plant breeders and farmers. Provisions such as Compulsory Licences underscore this balance. The case at hand revolved around the revocation of the appellant's plant variety registration, specifically focusing on the grounds provided in Section 34(a), (b), (c), and (h) of the Act.

The court analysed the first ground for revocation concerning incorrect information in the application. The appellant marked the plant variety as "new" instead of "extant" in their application. The registrar proceeded with the application despite this mistake. The court delves into the definitions and criteria for registration of "new" and "extant" varieties. The appellant's error is considered a clerical mistake, and the registration was granted in the correct category. The court dismissed the respondent's claim that the incorrect information provided unjust benefits.

The court then discussed the grounds under Section 34(b) and (c) regarding deficiencies in the application. The appellant's application lacked the necessary documents and the required signatures. The court explained that the appellant failed to provide proof of assignment under Section 16 and Section 18(3) of the Act. The court determined that the Authority was justified in invoking Section 34(c) due to these deficiencies. The court found the Assignment Deed inadmissible as evidence due to omissions and lack of stamping.

The court rejected the appellant's argument about the denial of opportunity to rectify deficiencies under Section 20(2) of the Act, stating that the appellant was provided an opportunity but failed to rectify the mistakes. The court highlighted the importance of adherence to requirements and emphasised the Authority's rightful action in revoking the registration due to deficiencies in the original application.

Finally, the court addressed the application of Section 34(h) of the Act. The court opined that the requirements of this section were not met in this case. The court disputed the Authority's basis for revocation under this section, stating that filing lawsuits against farmers, even if frivolous, is insufficient to revoke registration. The court asserted that the Authority erred in revoking the registration based on this ground.

The appellant challenged the respondent's right to file a revocation application before the Authority. However, the court found this argument to be without merit. Based on these considerations, the court found no merit in the appellant's challenge to the respondent's locus (legal standing). Consequently, the appeal was dismissed, and all pending applications were disposed of. No costs are awarded in this matter.

3. DUS Testing must Precede the Advertisement of Application under Section 21 of the PPV Act, 2001

Case: Nuziveedu Seeds Pvt. Ltd. vs The Protection of Plant Variety and Farmers [W.P.(C) 4312/2014, W.P.(C)-IPD 8/2022, W.P.(C)-IPD 10/2022, W.P.(C)-IPD 9/2022 & W.P.(C)-IPD 4/2023]

Forum: High Court of Delhi

Order Dated: November 30, 2023

Issue: Whether DUS testing of plant varieties were mandatory before advertising applications under the Protection of Plant Varieties and Farmers' Rights Act, 2001?

***Order*:** In the present case, five writ petitions relating to substantially the same issue were filed by Nuziveedu Seeds Limited (hereinafter "the petitioner"), praying that the action of the respondents is not implementing the provisions of the PPV Act. In Writ petitions W.P.(C) 4312/2014, W.P.(C)-IPD 10/2022, W.P.(C)-IPD 9/2022 & W.P.(C)-IPD 4/2023, the applicant was Maharashtra Hybrid Seeds Company Pvt. Ltd. ("Mahyco" hereinafter) whereas M/s Sungro Seeds Research Ltd. ("Sungro" hereinafter) was the applicant in W.P.(C)-IPD 8/2022. Hereinafter, these applicants are collectively referred to as "private respondents" and the Protection of Plant Varieties and Farmers' Rights Authority (hereinafter "the respondent").

The principal grievance of the petitioner in these cases is that the applications of the private respondents ought not to have been advertised before DUS (Distinctiveness, Uniformity and Stability) testing of the concerned plant varieties was undertaken in terms of Section 19 of the PPV Act. The respondents espoused the view that with respect to applications which were filed prior to 1 March 2012, the exercise of DUS testing need not necessarily have been conducted prior to advertising of the applications. In view of the above, the issue before the Court is to clarify the legal position in that regard.

On March 1, 2012, the Authority issued a public notice that "henceforth in accordance with section 19 of PPV & FR Act, 2001, the applicants shall, along with the application for registration, deposit seeds of the variety applied for registration in such quantities as specified in the DUS test guidelines of respective crop species for DUS testing. Thereafter, in accordance with Rule 29 (2) of the PPV & FR Rules, 2003, if the application is found to be in order on initial scrutiny, then the applicant will be notified to deposit the DUS test fee.

On payment of said fee, the DUS test will be conducted. Before acceptance of an application for registration, the inquiry will be conducted under section 20(1) of the PPV & FR Act, 2001, by examining the DUS test report along with the application and other documents. Thereafter, if the application is found to be in order, it will be accepted under Section 20(1) and advertised under Section 21(1) of PPV & FR Act, 2001".

The Court finds that it is undisputed that after 1 March 2012, in accordance with the aforementioned Public Notice, the Authority was subjecting the plant varieties, in respect of which applications were filed, to mandatory DUS testing before accepting or advertising the application and calling for objections or oppositions thereto. So, the question before the Court is whether, in respect of applications such as those forming subject matter of consideration in these writ petitions, which were filed prior to 1 March 2012, DUS testing was mandatory before advertising the applications.

To substantiate the argument, the petitioner invoked **Taylor v. Taylor (1875) 1 Ch D 426** principle reiterated by the Privy Council in **Nazir Ahmed v. King Emperor, AIR 1936 PC 253** and by the Supreme Court in a plethora of decisions, including **Singhara Singh v. State of UP, AIR 1964 SC 358**, that where the statute requires a particular act to be done in a particular manner, that act has to be done in that manner alone or not done at all, all alternative modes of doing the acts being necessarily forbidden, that the act of the Authority in proceeding to advertise the petitioner's applications without prior DUS testing stands vitiated *ab initio*.

The learned counsel for the petitioner, therefore, prays that the said applications may be remanded for *de novo* consideration after subjecting

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the concerned plant varieties to DUS testing as envisaged by Section 19 of the PPV Act.

While deciding this matter, the Court relied on learned Vibhu Bakhru, J., judgement in **Pioneer Overseas Corporation v. Chairperson Protection of Plant Varieties Rights, 262 (2019) DLT 411**, where the fact of the case is identical to those in present. In that case too, the applications for registration of plant varieties under the PPV Act were filed prior to 2012. No DUS testing was conducted before the applications were advertised. This was challenged by the petitioner before this Court as being contrary to the statutory provisions noted hereinbefore.

In paragraph 13 of this judgement, provides selective reading of Bakhru, J., views in the judgement in Pioneer Overseas Corporation case. The judgement at paragraph 15 mentions that from Pioneer Overseas Corporation case, the position in law is clear and unambiguous and the court held that the exercise of DUS testing has mandatorily to be carried out prior to advertising of an application under Section 19 of the PPV Act for registration of a new plant variety.

The counsel for the respondent highlighted the paragraph 59 of the Pioneer case decision and submitted that if the DUS Test results are negative, there is no question of the plant variety proceeding to registration at all, or of any prejudice resulting to the opponent who seeks to oppose the application. The Court clarified that section 24 (1)(a) of the PPV Act requires every plant variety which has been advertised, and which has either not been opposed within time, or the opposition filed in respect of which has been rejected, to be registered.

Therefore, in Pioneer case, Bakhru, J., clearly correct in his view that, if DUS testing were not required to mandatorily precede advertisement of the application, then there could be no question of any objection to registration on the basis of the DUS test results, and, therefore, irrespective of the test results, the plant variety would necessarily have to be registered. The DUS test results, therefore, even if adverse, would not inhibit registration. Therefore, the respondent is not correct in his submission.

The court held that section 24 is itself a clear indicator of the legislative intent that DUS testing must precede the advertisement of the application. The mandate to register the plant variety after advertisement, where no sustainable opposition to registration has been raised, obviously presumes that the plant variety has already successfully passed the DUS testing prior to its advertisement in PPV Journal.

The court held that since in all these present cases, the applications of the private respondents proceeded to advertisement without prior DUS testing therefore the advertisements issued by the Authority in respect of the applications forming the subject matter of all these writ petitions, except the plant varieties MRC 7326 BG II, MRC 6301 Bt, MRC 6025 Bt and MECH 12 Bt which already stand registered, are quashed and set aside. Further, where the DUS test already stands carried out, no fresh DUS testing would have to be undertaken.

However, the results of the DUS test would be provided to the petitioners in these writ petitions so that they could file their oppositions or comments in respect thereof. The Court allowed all the writ petitions with no orders as to costs. In addition, the Court held that the word "shall" in Rule 32 was required to be read as "may" and that, therefore, the delay in filing opposition under Rule 31(1) was condonable.

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