

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Judgment Reserved on : 10.11.2020

Judgment Delivered on : 02.02.2021

Coram:

THE HONOURABLE MR.JUSTICE R.SUBBIAH
and
THE HONOURABLE MR.JUSTICE C.SARAVANAN

O.S.A. No. 169 of 2020
and
C.M.P. Nos. 8510, 9187 and 9188 of 2020

1. M/s.Pathanjali Ayurved Limited
Represented by its Director
Having its registered office
at D-26, Pushpanjali Bijwasan Enclave
New Delhi-110 061, India.
 2. Divya Yog Mandir Trust,
Represented by its Trustee,
Having Office at Patanjali Yog Peeth,
Maharishi Dayanand Gram,
Delhi Haridwar National Highway,
Near Bahadrabad,
Haridwar-249 402, Uttarakhand.
- .. Appellants

Versus

Arudra Engineers Private Limited
Represented by its Managing Partner
Mr.R.Natraj
Having its Office at
No.79, Valmiki Street
Thiruvanmiyur
Chennai-600 041.

.. Respondent

Original Side Appeal (OSA) filed under Order XXXVI Rule 9 of the Original Side Rules of the Madras High Court, read with Clause 15 of the amended Letters Patent, 1865 and read with Section 13 of the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Act, 2018, against the order and decree dated 06.08.2020 passed by the learned Single Judge, made in O.A.No.258 of 2020 in C.S.No.163 of 2020 on the file of this Court.

For appellants : Mr. C. Aryama Sundarm, Senior Counsel
assisted by Ms.Rohini Musa and Mr.Simranjeeth Singh
for M/s.P.Giridharan for Appellant No.1

Mr.Sathish Parasaran, Senior Counsel
assisted by Mr.Simranjeeth Singh
for M/s.P.Giridharan and S.Santhosh for Appellant No.2

For respondent : Mr. P.R.Raman, Senior Counsel
for Mr. C. Seethapathy

JUDGMENT

R.SUBBIAH, J

This appeal has been filed as against the order dated 06.08.2020 passed in O.A.No.258 of 2020 in C.S.No.163 of 2020, whereby the learned Single Judge made the interim order granted on 17.07.2020 absolute and restrained the appellant/defendants herein from infringing the respondent/plaintiff's registered trademark bearing the name "*Coronil*" and from using the objectionable trademark's and/or deceptive variation of the applicant's

trademark singularly or in conjunction with any words or monogram/s/logo/s upon and in relation to their product/business in any manner whatsoever pending disposal of the suit.

2. The appellants are the defendants in the suit. The respondent-Company is the plaintiff, which instituted the suit. For the sake of convenience, the parties herein are referred to as the plaintiff and the defendants as ranked in the suit.

3. The case of the plaintiff is that it is a private limited company registered under the Companies Act, 1956. They are carrying on business of chemical cleaning and manufacturing of material handling system and polymeric epoxies for various factories in India and abroad. They have been carrying on such business for more than 20 years and had gained significant reputation within the industrial fraternity. They have registered the mark 'Coronil-213 SPL' and 'Coronil-92B' in the year 1993. They have also renewed the registration of the trade mark and currently, the trademark is valid until 2027. The product of the plaintiff, namely Coronil is a chemical agent for sanitising and cleaning heavy industrial machinery and containment units at factories with minimal corrosion, thus, reducing the overall depreciation in

the value of units during the cleaning process. Some of the clients of the plaintiff are Bharat Heavy Electricals Limited, NTPC Limited, Reliance Industries Ltd., Indian Oil Corporation, National Productivity Council, etc. The trade mark Coronil has been put to use continuously for many years since its inception in respect of its reputation as an industrial cleaning agent, which has resulted in the product receiving loyal and extensive patronage from numerous customers all over the world, including India.

4. While so, during June 2020, the plaintiff came to know through newspapers that the defendants have been marketing their product as a cure for the Corona Virus using an identical mark as that of the plaintiff's registered trade mark 'Coronil'. As per the press report on June 14, 2020, TV news had a special content, wherein, the defendants' 'Baba Ramdev' (the appellants herein) spoke about how a medicine has been made by his herbal company 'Patanjali'. He stated publicly that Coronil is helpful in curing Corona Virus with 100% favourable results. The reports regarding the same were published and advertised in various electronics and print media. As per the press report, on 1st July 2020, the Government allowed the defendants to market and sell the product as an immunity booster and not as a medical cure. The defendants' adoption and use of the trade mark "Coronil" is identical to that of the

plaintiff's registered trade mark and although it is conceded that the defendants are in dis-similar industry with respect to the plaintiff's product sold under the registered trade mark, the defendants have already infringed the plaintiff's mark and proposed to cause irreparable damage to the reputation and hard work of the plaintiff and their mark. The plaintiff also claims that the defendants were infringing their mark and diluting the distinctiveness of their trade mark, diminishing and damaging the value, goodwill, reputation, statutory and proprietary right, which is exclusively in favour of the plaintiff. Thus, there is possibility of cascading effect if the defendants are not restrained from using the plaintiff's trade mark. Further, such continued usage of their trade name may embolden the defendants and other potential infringers/mis-users to violate the statutory and proprietary right of the plaintiff with respect to their registered trade mark "Coronil". Hence, the plaintiff has come forward to file the suit with the following prayers:

(a) for permanent injunction against infringement of the plaintiff's registered trademarks bearing the name "Coronil" by restraining the defendant(s), their promoters, assigns, successors-in-interest, licensees, franchisees, partners, directors, representatives, servants, distributors, employees, agents etc. or anyone associated with them from using the objectionable trade marks and/or deceptive variation of the plaintiff's aforementioned trade marks singularly or in conjunction with any word/s or monogram/s/logo/s upon and in relation to their products/business in any manner whatsoever;

(b) to direct the defendant(s), their promoters, assigns, successors-in-interest, licensees, franchisees, partners,

directors, representatives, servants, distributors, employees, agents etc. or anyone associated with them to deliver-up to the plaintiff for destruction of their entire stock of products, stationery, letterheads, signage, reprographic material, packaging, labels or any other material for advertising, selling or marketing any goods bearing the objectionable trade marks/art works/packaging/trade dress/get-up and/or any identical and/or deceptive variations of the plaintiff's trade marks bearing the name "Coronil", and

(c) to direct the defendant(s) to pay the plaintiff costs of the suit.

5. Along with the suit, the plaintiff filed O.A. No. 258 of 2020 in C.S. No.163 of 2020 for interim injunction restraining the appellants/defendants from infringing their registered trade marks bearing the name "Coronil" pending disposal of the suit.

6. The plaintiff has filed O.A.No.258 of 2020 by contending that the plaintiff's registered trade mark is fully protected under Section 29(4) of The Trade Marks Act, 1999 (in short, "The Act"). A condition imposed under Section 29 (4) of the Act is that the registered trade mark must have a reputation in India and the use of the offending mark was without due cause and detrimental to the reputation of the registered trade mark. The plaintiff also claimed that they have an impeccable reputation within the Country as well as around the globe. The defendants have been exploiting the current

pandemic to gain profit out of the immense mental and physical hardships that are being faced by every person in India, irrespective of any socio-economic difference. It is also claimed by the plaintiff that the action of the defendants will not come within the purview of the stipulations laid down under Section 30 of The Act, as the defendants are not using the plaintiff's registered trade mark in accordance with honest practices in industrial or commercial matters. Thus, pending suit, the plaintiff sought for interim injunction.

7. The learned Single Judge granted an ad-interim injunction on 17.07.2020 in O.A.No.258 of 2020. On receipt of notice, the defendants entered appearance and filed Application No. 1532 of 2020 to suspend the order dated 17.07.2020 passed in O.A. No. 258 of 2020. The defendants had also filed Application No. 1533 of 2020 for vacating the interim order passed on 17.07.2020.

8. In the affidavit filed in support of Application Nos.1532 and 1533 of 2020, it was stated by the defendants that the suit is vitiated by bad motives. According to the defendants, the averments in the suit have been couched in the form of a trade mark infringement, but several pleas in the plaint clearly reveal the real intention of the plaintiff that the present suit is part of larger

conspiracy against the Patanjali group, with an aim to scuttle their business following the launch of "Coronil" tablet, which is an Ayurvedic medicine. The defendants also stated that they are consumer goods companies, whose manufacturing units and headquarters are located in the industrial area of Haridwar. The Revenue of the defendants was about Rs.100 crores in 2010-2011 and about Rs.9500 crores in the year 2018-2019. In order to ensure the efficacy of the ancient Indian knowledge and Ayurveda, Patanjali Research Institute was established by the defendants by investing more than Rs.100 crores. On 16.06.2020, the Divya Yog Mandir Trust (second appellant herein) applied for a trade mark for word "Coronil Tablet", vide T.M.Application No.4534424 in the Delhi Trade Mark Office in Class 5. As on 18.07.2020, the status of the application is "marked for Exam". The Ministry of AYUSH (Ayurveda, Yoga and Naturopathy Unani, Siddha, Sowa Rigna and Homeopathy) also recommended certain immunity boosting measures, after consulting various experts in the field of AYUSH, including Mr.Acharya Balakrishna, who is also on the board of first defendant. On 12.06.2020, the Licensing Authority for Ayurveda and Unani Services, Uttarkhand, permitted Divya Pharmacy, the second defendant, for 3 tablets namely, (i) Divya Coronil Tablet (ii) Divya Saswari Vati 540 MG and (iii) Divya Saswari Vati 350 MG. In the said permission, the Coronil Tablet was specifically stated as an

immunity booster. It is also stated that the plaintiff has not raised any objection at the initial time when the defendants had approval for processing of Coronil Tablet by the Government of Uttarkhand under the scrutiny of Ministry of Ayush.

9. According to the defendants, the goods/products sold by the plaintiff and defendants are altogether different. Similarly the nature and style of the business of the plaintiff and defendants are dis-similar. It is also stated that by no stretch of imagination, any similarity can be drawn between the Coronil tablets sold by them and the chemical products sold by the plaintiff that are used for sanitising and cleaning heavy industrial machinery and containment units at factories. Further, the products sold by the plaintiff and the "Coronil" tablet sold by the defendants will not fall under the same class. The products sold by the plaintiff come under Class I and "Coronil" tablet sold by Divya Pharmacy marketed by the defendants, comes under Class 5. Thus, there is no similarity between the products of the plaintiff and defendants. The claim of dilution by the plaintiff is not sustainable, for, a claim of dilution to succeed, the plaintiff has to prove that it is a well known mark and has a wide reputation within India. Further, the plaintiff needs to show that the mark of the alleged infringer had been chosen without due cause and therefore dilutes

the mark of the plaintiff. On the other hand, a perusal of the documents filed along with the plaint shows that apart from an unverified client list and an unaudited and unverified table of sales figures, no other evidence had been let in to show that the plaintiff's product have gained reputation in the market.

10. It is also stated that it is common in the field of pharmaceutical drugs to name the drug after the ailment/organ/medical compound used in the drug such as "Coronil" had been named as an immunity booster against the Corona Virus. Therefore, the defendants justified the adoption of the mark "Coronil" as a bona-fide one and the question of causing any harm to the products of the plaintiff, will not arise. Similarly, the class of goods for which the plaintiff obtained the trade mark registration, class of customers and market and mode of purchaser of goods, are entirely different with not a single point of intersection. Similarly, the plaintiff and the defendants operate in two entirely different orbits without sharing any common space. The visual appearance of the two marks, is entirely different, and they relate to two different products. The manner in which the products traded by the plaintiff and CORONIL Tablet sold by Divya Pharmacy, marketed by the defendants, is beyond the imagination of a common and ordinary intellectual man that it associates with the goods of the plaintiff or defendants. According to the

defendants, the plaintiff had not filed or produced a single document to show that the mark of the plaintiff is distinctive or attained significance over a period of time. Therefore, according to the defendants, the order dated 17.07.2020 passed in O.A.No. 258 of 2020 is causing immense prejudice and hardship to the defendants and it has the tendency to cause damage to the reputation and brand of the defendants, which they have built for several years. Therefore, the defendants prayed for vacating the order of injunction.

11. The learned Single Judge, after hearing the submissions of the learned counsel on both sides, passed the order dated 06.08.2020 by making the interim injunction granted in O.A. No. 258 of 2020 absolute while dismissing A. Nos. 1532 and 1533 of 2020 filed by the defendants mainly on the following reasonings:

"139. In view of all the above reasons, I hold that,

i) The plaintiff has established that their mark "Coronil-92 B and Coronil-213 SPL" are registered and that registration still subsists and are in force till 2027.

ii) The defendants have not established that their mark 'Coronil Tablet' is registered.

iii) The defendants have merely applied for registration and it is in the initial stages.

iv) The defendants have not been permitted by the plaintiff to use the registered trade mark 'Coronil'.

v) However, the defendants have projected to

use the name 'Coronil Tablet', in the course of their trade namely, apparently to cure Coronavirus.

vi) Both the words 'Coronil' are same and identical.

vii) The word 'Coronil' in the registered trade mark of the plaintiff is the significant portion of the mark and consequently, even though it is preceded by a droplets leading to the letter 'A' and succeeded by the digits '92/213' and letters 'B/SPL', still, there is a direct infringement on the unique name 'Coronil' by the defendants.

viii) The plaintiff's product is a chemical agent used to eradicate and prevent corrosion. The defendants have projected to use their name 'Coronil Tablet' for a different business altogether and therefore, the stipulation under Section 29(4)(b) is satisfied.

ix) The plaintiff has established a prima facie reputation in India among the heavy industries where chemical agents are used to treat and prevent corrosion. They have also established reputation in industries overseas also.

x) The defendants have not shown due cause in naming their product as 'Coronil', since there is no direct material produced to show that it is a treatment for Coronavirus and even the reports in this connection, projecting such a cure have been adversely noted by the Ministry of Ayush, New Delhi.

xi) The usage of the word 'Coronil' by the defendants will be detrimental to the distinctive character of the mark of the plaintiff, since as stated above, there is no connection between the mark 'Coronil' used by the defendants and their projected statement that it is a cure for Coronavirus.

xii) It is also detrimental to the repute of the registered trade mark Coronil of the plaintiff since, there is a prima facie possibility that the general public might question whether the trade mark 'Coronil' of the plaintiff would also not prevent corrosion by drawing the analogy of the 'Coronil' of the defendants,

which does not cure Coronavirus."

12. Thus, the learned Single Judge made the order of interim injunction granted in O.A.No.258 of 2020 on 17.07.2020 absolute. While making the interim injunction absolute, the learned Single Judge had also imposed costs of Rs.5 lakhs to be paid jointly by the defendants to the Dean, Adyar Cancer Institute (WIA), East Canal Bank Road, Adyar, Chennai and further Rs.5 lakhs as costs to be paid jointly by the defendants to the Dean, Government Yoga and Naturopathy Medical College and Hospital, Arumbakkam, Chennai-106.

13. Mr. Ariyama Sundaram, learned Senior Counsel appearing for the appellants/defendants invited the attention of this Court to Section 29 of The Act and submitted that Section 29(1) and (2) does not deal with infringement of trade mark in respect of dis-similar goods. All the decisions relied on by the learned Senior Counsel appearing for the respondent/plaintiff before the learned Single Judge, were rendered under Section 29(1) and (2) of The Act. Since Section 29 (1) and (2) of the Act has no application to this case, those judgments will not help the case of the respondent/plaintiff inasmuch as the action for infringement was filed by the plaintiff only under Section 29 (4) of

The Act.

14. According to the learned Senior Counsel appearing for the appellants/ defendants, this is a case pertaining to trade mark of two different products. The plaintiff is a manufacturer of material handling system and polymeric epoxies for various products under the trade name "Coronil-213 SPL" and "Coronil-92B", which comes under Class I, whereas "Coronil" tablets sold by Divya Pharmacy, marketed by the defendants, falls under Class 5. The plaintiff's product is a chemical agent used to sanitise and clean heavy industrial machinery and containment units at factories with minimum corrosion to reduce the overall depreciation value of the units during the cleaning process, whereas, the defendants are engaged in selling "Coronil" tablet which serves as an immunity booster to prevent Covid-19 infection.

15. The learned Senior Counsel appearing for the appellants/defendants further submitted that the defendants' product has nothing to do with the products of the plaintiff. Since it is a case of infringement of trade mark of dis-similar goods, the plaintiff has to make out a case to get an injunction as required under Section 29(4) of The Act. It is also submitted that Section 29(4) consists of both qualitative and quantitative

consideration. In this regard, the learned Senior Counsel appearing for the appellants/defendants invited the attention of this Court to Section 29 (4) of the Act, which reads as follows:-

'29. Infringement of registered trade marks.

(1) ...

(2) ...

(3) ..

(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which--

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to good or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to the distinctive character or repute of the registered trade mark."

16. According to the learned Senior Counsel for the appellants/defendants, a reading of Section 29 (4) of the Act shows that certain considerations are quantitative in nature while other considerations are qualitative in nature. The quantitative requirement of registered trade mark is that it must have a reputation in India. Such use must be detrimental to the repute of the registered trade mark in India. The qualitative requirement is that,

the use of a trade mark must be without due cause as regards the trade mark law. Such use must take unfair advantage of distinctive character.

17. In effect, the quantitative consideration must be proved only by adducing evidence demonstrating the use of the mark and advertising or promotion of the mark. On the other hand, the qualitative consideration regarding distinctive character of the mark, must be considered by plotting the trade mark of the defendant on the sliding scale of the strength of the marks, namely from generic to arbitrary/fanciful marks. Such an exercise is done *dehors* any evidence and on comparison with the nature of the trade mark itself and the goods/services the mark represents. For example, the word-mark 'apple' could be seen as arbitrary for a computer store, whereas it will have to be seen as descriptive/generic for a fruit shop. The trade mark 'Coronil 92B' of the plaintiff, is only a descriptive mark. There should be evidence to show that the said mark has got secondary meaning. In other words, through extensive use and advertising, the trade mark is known to a consumer who is associated with a particular manufacturer. In this case, the plaintiff has failed to prove that the mark "Coronil 92B" has any such use/advertising. The plaintiff does not even have any packaging to show that they are using the mark. The plaintiff also had not produced any proof of advertisement, promotion or

invoices regarding the particular mark they produce. In the absence of any proof to show the use as well as advertising in respect of the trade mark of the plaintiff, the present claim of the plaintiff that the defendants are diluting their mark 'Coronil', is unsustainable. What is produced before this Court is only a picture of packaging filed before the Trade Mark Registry. It is to be seen from Section 29(4) of The Act that the plaintiff has to satisfy the following essential conditions to drive home the point that the defendants are diluting their registered trade mark 'Coronil' by using the same for their product:-

- (i) Prima-facie strong resemblance of the two marks,
- (ii) Senior mark must have reputation in India,
- (iii) Junior mark for dis-similar goods/services,
- (iv) The use of the junior mark is without due cause, and such use amounts to taking unfair advantage of or is detrimental to the repute/distinctive character of the mark.

18. According to the learned Senior counsel, even if the plaintiff-Company fails to prove any one of the above conditions, they are not entitled for injunction as prayed for. In this case, the plaintiff had miserably failed to prove all the above said conditions. In this regard, the learned Senior Counsel appearing for the appellants-defendants contended that the two marks are not

similar in nature. The mark of the plaintiff is a "label mark" and the mark of the defendants, is a "word mark". As per Section 17 of The Act, the registration occurs over the composite mark and not on the individual component, whereas, Section 15 of The Act envisages registration of a separate word-mark. But what was registered in this case, is only a composite mark and not a separate mark. In this regard, the learned Senior Counsel appearing for the appellants/defendants drew the attention of this Court to the trade mark (picture) of the plaintiff and that of the defendants (picture) and submitted that the appellants/defendants mark consists of three elements, namely (i) droplet symbol with capital letter "A" inscribed therein, (ii) the name 'CORONIL' and '92-B' across a black background and (iii) the distinctive mark and a badge of origin. The word "Coronil" is suggestive of the anti-corrosive property and expression "92-B" "213-SPL", as the case may be, appears to be the trade usage to identify the chemical used and hence generic or purely descriptive. On the other hand, the defendants' mark is a word-mark captioned "Coronil" Tablet without any label or any other descriptive feature. Therefore, when determining similarity or identity, the two marks when compared, in particular to the fact that there has been no separate registration of the mark 'Coronil' as required under Section 17 of the Act, the plaintiff's mark cannot be said to be identical or similar to the mark of the defendants. In

this regard, the learned Senior Counsel appearing for the appellants relied on a decision of this Court in **Aravind Laboratories Vs. Modicare**, reported in **2011 (4) LW 55 = MANU/TN/2708/2011**, which reads as follows:-

"28. But unfortunately, the above contention of the learned Counsel for the Defendant, cannot be accepted for a variety of reasons. They are as follows:

....

... ..

Reason No.2:

(i) The decision in Ramdev, appears to have arisen under the 1958 Act, as seen from the discussion from paragraphs 26 onwards. But the case on hand has arisen under the 1999 Act. Sections 17 and 29 underwent sweeping changes under the 1999 Act. Under Section 17 of the 1958 Act, the registration of a mark was made subject to disclaimers. Consequently, if any disclaimer was recorded, while registering a mark, the disclaimed portion cannot be considered, for the purpose of infringement. Therefore, it follows as a corollary that every part of the mark was entitled to protection, if no disclaimer was recorded in respect of the same. In other words, the whole of the mark as well as every part thereof in respect of which there was no disclaimer, was entitled to protection, under the old Act. But under the 1999 Act, the power to incorporate a disclaimer was taken away from the Registrar/Tribunal and was made part of Section 17. The objects and reasons for inserting a new Section 17, is stated as follows:-

"Objects and Reasons-Clause 17. - This clause which deals with the effect of registration of parts of a mark seeks to omit the provision relating to requirement of disclaimer and to explicitly state the general proposition that the registration of a trade

mark confers exclusive right to the use of the trade mark taken as a whole and not separately to each of its constituent parts, if any."

(ii) Therefore, in cases arising under 1958 Act, the exclusive right to the use of a trade mark conferred by Section 28(2), depends upon the question as to whether or not, any disclaimer was incorporated in the certificate of registration. On the other hand, if the case arises under the 1999 Act, the exclusive right to the use of the mark, in terms of Section 28(2), is made subject to the limitations incorporated in Section 17(2) itself. In other words, the exclusive right conferred by section 28 (2) was circumscribed under the old Act, by man made restrictions (in the form of disclaimer imposed by Registrar). But it is now circumscribed by statutory restrictions under the 1999 Act. Therefore, the strong reliance placed by the learned counsel for the plaintiff upon the decision in Ramdev Food Products, is of no use.

(iii) Therefore, a registered proprietor of a trade mark cannot succeed in an action for infringement, in respect of that element or part of the trade mark, for which protection is unavailable either on account of a disclaimer incorporated in the Certificate itself or on account of the statutory prescription contained in section 17 (2)(a).

(iv) Since the power of the Tribunal under Section 17 of the 1958 Act, to insist upon the proprietor disclaiming any right to the exclusive use of any part of the trade mark has been taken away and a general prohibition incorporated under Section 17 (2) of the new Act, the decision of the Supreme Court in Ramdev Food Products, has to be understood in the context of the new Act."

19. It is the further submission of the learned Senior Counsel appearing for the appellants/defendants that when the mark consists of different elements, the anti-dissection rule is applicable. In support of this contention, he relied on a decision of a Division Bench of this Court in the case of **Rhizome Distilleries Pvt. Ltd. vs. Union of India and others**, reported in **2012 (2) LW 204 (DB) = 2012 SCC Online Mad 651**, wherein it was held as follows:

"15. This Court has paid its anxious consideration on the submissions made by the learned counsel on either side, and perused the materials available on record.

16. In view of the said submissions, the following points would arise for consideration in this writ petition:

(1) Whether the 4th respondent can claim any exclusive right over the individual element 'IMPERIAL' when a trade mark consists of several matters ?

(2) Whether the 2nd respondent Board has committed any error in allowing the application filed by the 4th respondent by applying the provisions of section 11 of the Trade Marks Act?

17. With regard to the first point, it is the contention of the learned senior counsel for the writ petitioner that the word 'IMPERIAL' is a common word and, as such, the 4th respondent cannot claim exclusive right over the said word. Moreover, by adding the word 'RHIZOME', the trade mark has become, undoubtedly, distinctive. But the 2nd respondent Board without looking into the trade mark as a whole, by isolating the individual element and applying the principle of infringement, which is the subject matter of civil suit, has allowed the application. In this regard, it would be appropriate to refer to the judgments relied on by both sides. The learned senior counsel has relied on the decision reported in **HIMALAYA DRUG CO., vs. SBL LIMITED (2010 (43) PTC 739 (Delhi)**, wherein it has been held

as follows:

"50. This Court proceeds to discuss the points urged. In the first place, there can be no dispute on the test of deceptive similarity which is now well-settled in Durga Dutt, Amritdhara and Glucovita cases. The marks indeed must be compared as a whole for determining if there is infringement without reading any disclaimer in any part thereof even if the similarity is in respect of descriptive marks.

51. The anti-dissection rule which is prevalent both in US as well as in India is really based upon customer behaviour. It has been succinctly set out in Mc.Carthy on Trade Marks and Unfair Competition as under:

"23.15 Comparing Marks: Differences v. Similarities

(1) The Anti-Dissection Rule

(a) Compare composition as a Whole

Conflicting composition marks are to be compared by looking at them as a whole, rather than breaking the marks up into their component parts for comparison. This is the "anti-dissection" rule. The rationale for the rule is that the commercial impression of a composite trademark on an ordinary prospective buyer is created by the mark as a whole, not by its component parts. However, it is not a violation of the anti-dissection rule to view the component parts of conflicting composite marks as a preliminary step on the way to an ultimate determination of probable customer reaction to the conflicting composites as a whole. Thus, conflicting marks must be compared in their entireties. A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. It is the impression that the mark as a whole creates on the average reasonably prudent buyer and not the parts thereof, that is important. As the Supreme Court observed:

"The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail. For this reason it should be considered in its entirety".

The anti-dissection rule is based upon a common sense

observation of customer behaviour: the typical shopper does not retain all of the individual details of a composite mark in his or her mind, but retains only an overall, general impression created by the composite as a whole. It is the overall impression created by the mark from the ordinary shopper's cursory observation in the market place that will or will not lead to a likelihood of confusion, not the impression created from a meticulous comparison as expressed in carefully weighed analysis in legal briefs.

In litigation over the alleged similarity of marks, the owner will emphasize the similarities and the alleged infringer will emphasize the differences. The point is that the two marks should not be examined with a microscope to find the differences, for this is not the way the average purchaser views the marks. To the average buyer, the points of similarity are more important than minor points of difference. A court should not engage in "technical gymnastics" in an attempt to find some minor differences between conflicting marks. However, where there are both similarities and differences in the marks, there must be weighed against one another to see which predominate.

The rationale of the anti-dissection rule is based upon this assumption: "An average purchaser does not retain all the details of a mark, but rather the mental impression of the mark creates in its totality. It has been held to be a violation of the anti-dissection rule to focus upon the "prominent" feature of a mark and decide likely confusion solely upon that feature, ignoring all other elements of the mark. Similarly, it is improper to find that one portion of a composite mark has no trademark significance, leading to a direct comparison between only that which remains.

52. There is merit in the contention that where the trademark includes a generic component, the manufacturers are not precluded from using as part of their marks the said generic component. This is because the generic component will obviously not be the distinctive portion and the dominant portion would be dissimilar or non-generic portion. When the comparison of the marks are taken up as a whole, the distinctive

portion of the trade marks i.e. non-generic component would have to be compared and not the generic component".

20. By relying on the above judgment in Rhizome case, the learned Senior Counsel appearing for the appellants/defendants submits that the plaintiff cannot claim that only the dominant portion of the mark is similar and seek to maintain a claim for dilution. The two marks must be looked as a whole and parts, which do not allegedly have significance, such as '92B' or '213 SPL' cannot be ignored.

21. The learned Senior Counsel appearing for the appellants/defendants also invited our attention to Section 17 of The Act, which deals with the effect of a registration of parts of a mark. A reading of Section 17 gives the meaning that the trade mark consists of several marks/components and the registration confers on the proprietor the exclusive right to use the trade mark taken as a whole. While it is possible to sustain an action for passing off regarding the unregistered part of a mark, a suit for infringement under Section 29 (4) of the Act cannot be sustained. To buttress this submission, the learned Senior Counsel appearing for the appellants/defendants relied on a decision of a Division Bench of the Calcutta

High Court in the case of **Three-N-Products Private Limited Vs. Emami Limited**, reported in **2010 SCC Online Cal 134 = (2010) 2 CHN 217 (DB)**.

He also relied on a Division Bench decision of the Delhi High Court in **Vardhman Buildtech Pvt Ltd. Vs. Vardhman Properties Limited, MANU/DE/2187/2016 = 2016 (233) DLT 25 (DB)**. Thus, he submitted that Section 17 of the Act squarely applies to this case and the trade marks of the plaintiff and defendants, taken as a whole, are not identical in nature.

22. The next fold of submission of the learned Senior Counsel appearing for the appellants/defendants is that the trade mark of the respondent/plaintiff should have a reputation in India. In the instant case, it was the specific case of the defendants before the learned Single Judge that the plaintiff did not have adequate reputation to satisfy the requirements under Section 29(4) of The Act. The term 'reputation' as indicated under Section 29 (4) is a very high level of reputation to show that it is well known mark and a recognised or reputed mark in the minds of the consumers. At best, it should be a recognised or reputed mark. In the instant case, the plaintiff does not satisfy the test that their mark is a reputed trade mark.

23. The learned Senior Counsel appearing for the

appellants/defendants further submitted that in order to determine as to whether a mark has reputation in India, it has to be proved that it has the qualitative character of the mark which is alleged to have reputation. The next criteria is that the quantitative aspect, namely, if such a mark is distinctive, then the said mark through use and promotion acquires a reputation as required under Section 29 (4) of The Act. Even according to the plaintiff, they are having a select client in a specified field. It could be inferred from the plaintiff's averments that the trade mark of the plaintiff has no pan-India reputation, which is one of the requirements to be fulfilled by the plaintiff under Section 29(4) of The Act to succeed in an action for infringement.

24. With regard to the distinctive nature of the mark, it is submitted by the learned Senior Counsel appearing for the appellants/defendants that the trade mark of the plaintiff is descriptive and at best, it is suggestive. In fact, the learned Single Judge in paragraph 112 of the order under challenge, has stated that the trade mark of the plaintiff 'Coronil' suffixes with the words '92B and 213 SLP' independently, which convey no meaning at all. The only word which conveys such meaning directly relating to the business of the plaintiff is the word 'Coronil'. Thus, the learned Single Judge held that naturally, the plaintiff has come to the Court to protect a distinctive name,

which they have coined, namely a product to erode corrosion leading to a state of 'Coro Nil' or rather 'corrosion nil', which signifies the quality of their product. The learned Senior Counsel appearing for the appellants/defendants therefore submitted that when the trade mark of the plaintiff has been identified as descriptive by the learned Single Judge, the respondent/plaintiff will be unable to maintain a claim for dilution, as the strength of the trade mark of the plaintiff is very low on the sliding scale and therefore, the amount of reputation that will need to be shown, is much higher. The respondent-plaintiff's goods had no price list, no packaging, no advertisement, and no distribution channel or dealer. In the 20 years of their experience, the plaintiff had only 31 customers globally.

25. The learned Senior Counsel appearing for the appellants/defendants also relied on a decision of the Court of Justice of the European Communities (First Chamber) in the case of **Intel Corporation Inc., CPM United Kingdom Limited** reported in (2009) R.P.C. 15 (Case C-252/07) to demonstrate that the reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or service for which that mark was registered. That may be either the public at large or a more specialised public. Thus, according to the learned Senior Counsel

appearing for the appellants/ defendants, in order to satisfy reputation, the use of the latter mark must recall a link to the earlier mark in the minds of a consumer. In this case, the two marks of the plaintiff and of the defendants are in completely different orbits and the plaintiff has not shown any spill-over reputation, or reputation whereby members outside the market area are aware of the mark. The customers of the plaintiff are industrial fraternity, whereas the customers of the defendants are common man. The burden is therefore on the plaintiff-Company to show that their customers in the form of M/s.Rliance Limited, L&T etc., seek the mark of the defendants and re-call the earlier mark. To strengthen this submission, the learned Senior Counsel appearing for the appellants/defendants relied on a judgment of the Delhi High Court, in the case of **ITC Limited Vs. Philip Morris Products SA and others**, reported in **ILR (2010) 2 Delhi 455 = 2010 SCC Online Del 27**, wherein it has been held that there is no linkage between the mark of the plaintiff and the defendants so as to cause detriment to the latter or undue advantage to the former. In any event, even assuming without admitting that the standard for reputation is famous/well known mark, the reputation or standard required is a few notches higher than mere recognition. In order to substantiate this contention, the learned Senior Counsel appearing for the appellants/defendants also relied on a judgment of a Division Bench of the Calcutta High Court

reported in the case of **JSB Cement LLP vs. Assam Roofing Limited and others**, reported in **2017 SCC Online Cal 5180 = AIR 2017 Calcutta 226**, wherein, it had been held as follows in paragraphs 47 and 49:-

"47. The real point is whether a person intending to purchase cement would opt for appellant's 'Rhino' brand by thinking that it emanates from the same reliable source as asbestos sheets sold under the same mark. That would make this case almost exclusively under Section 29(4) of the Act in an action for infringement and having no nexus with Section 29(2) of the Act at all. But the *sine qua non* for an injunction to be issued under Section 29(4) of the Act-and, equally, for an interlocutory injunction with a prima facie view thereunder-is the reputation of the mark which is said to be infringed. The quality of reputation which would meet a case under Section 29(4) of the Act is several notches superior than the ordinary reputation of a mark which has been in the market for 30 or 40 years. Even if such reputation is not of the degree that it must be a household name as in the *Sony case* covered by the Full Bench judgment or the 'Bata' matter of the 1950s that it dealt with, the nature of the reputation which will earn a plaintiff an order, interlocutory or otherwise, under Section 29(4) of the Act is much more than a self-proclaimed reputation unsubstantiated by figures or firmer facts. If figures were to be brought, such figures would have to demonstrate that the product carrying the mark was the market-leader, even if it were to be in a limited geographical area of operation. As to how such reputation would be demonstrated in the interlocutory stage is for the claimant to decide, but there is no doubt that the nature of the reputation that the respondents flaunt is far too fragile and insubstantial for another's use of the mark in connection with a different set of products to be arrested. There is no case of any interlocutory injunction for infringement made out by the respondents."

"49. There is no doubt that the case made out by the respondents was that they had a substantial presence in the North-East and some of the neighbouring States and not a pan-India presence. To the extent that the judgment impugned holds that the

respondents' presence was "by and large restricted to the North East and not to other parts of the country" and as such the mark had not acquired a reputation in India, the same cannot be sustained. There are two sides to the word "reputation" as used in Section 29(4) of the Act: the quality of the reputation and the extent thereof. The judgment does not dwell on the facet of the quality of the reputation but refers only to the geographical extent thereof. For the purpose of Section 29(4) of the Act, the geographical extent may not cover all parts of India in the sense that the goods or service need not be available in every corner of the territory of India nor does the reputation have to extend to every part thereof. As long as there is reputation of the goods or service attached to the mark in any part of India, it would meet the test of the extent of reputation. But the quality of the reputation is an altogether different matter. It is possible that a product or any service bearing a registered mark may be available only in a limited territory and even in one small corner of India. As long as such reputation is overwhelming, almost to the extent that there is a secondary meaning associated with the mark, particularly a word-mark, the limited geographical extent thereof may be immaterial as long as such reputation is somewhere in India; and it is certainly not required of the reputation to be of a pan-India magnitude. But the reputation must be of such quality that it transcends the nature of the goods or service that it is attached to. Loosely speaking, a mark-particularly a word-mark-is said to have a secondary meaning when, immediately upon seeing or reading the mark-particularly a word-mark-the goods or service associated with the mark-particularly a word-mark-flashes across the mind simultaneously with what the mark-particularly a word-mark-conveys in its ordinary sense. That is the real test and it is in such test that the respondents fail."

26. According to the learned Senior Counsel appearing for the appellants/defendants, even though the reputation might be restricted to one particular goods/service, it must be so overwhelming and must transcend the nature of goods and service to the extent that when the goods or service is

thought of, the mark must flash in the mind of the consumers who are accustomed with the products. None of those conditions have been satisfied in the present case, and hence, the plaintiff does not have the reputation as required under Section 29(4) of The Act.

27. Next, it is submitted by the learned Senior Counsel appearing for the appellants/defendants that the plaintiff must prove that the defendants are using the trade mark without due cause. In the instant case, the plaintiff did not prove that the defendants are using the trade mark without any cause. In this regard, the learned Senior Counsel appearing for the appellants/defendants submitted that the prevalence of Corona Virus had prompted the appellants to engage in manufacture and distribution of the tablet as an immunity booster. It is trite law that most of the medicines are named either after the organ, ailment or component that is used in the preparation of the medicine. Similarly, the defendants also coined the name "Coronil" in marketing the tablet as an immunity booster against the Corona Virus. Therefore, to prevent the chance of the consumers getting affected by the virus, the tablet is being distributed by the defendants in the name of "Coronil". In fact, various other manufacturers have also chosen the names related to the Corona Virus / Covid, such as Covaxin, Covishield, Coviblock, Coroflu, Corovax and Zycov-d. Therefore,

adoption of the name "Coronil" was with due cause and it has no resemblance to the mark of the plaintiff. In this context, the learned Senior Counsel appearing for the appellants relied on a decision of the High Court of Justice - Chancery Division in the case of **Premier Brands UK Limited Vs. Typhoon Europe Limited**, reported in (2000) F.S.R. 767 to demonstrate that the term "without due cause" must be read in a commercially sensible way and the defendants cannot be asked to refrain from carrying on their business regardless of the damage the owner of the mark would suffer from such use. Thus, the adoption of the trade mark and use by the defendant of "*Coronil*" *Tablet* is with due cause.

28. With regard to the unfair advantage of the distinctive character/reputation of the plaintiff's mark, the learned Senior Counsel appearing for the appellants/defendants submitted that the plaintiff failed to prove that the use of the mark takes unfair advantage or is detrimental to the distinctive character or repute of their mark. In the case of **Pebble Beach Vs. Lombard Brands Limited**, reported in (2003) ETMR 252, it has been held that the burden is on the plaintiff to show that there is a prima-facie case that the defenders' use of the sign takes unfair advantage of the distinctive character or repute of the pursuers' trade mark. Not only must this advantage be unfair, but it must be of

a sufficiently significant degree to warrant restraining what is, ex-hypothesi, a non-confusing use. In this case, the plaintiff has failed to both plead and file any document to show that there has been any unfair advantage gained by the use of the trade mark by the defendants, *qua*, the plaintiff. The product marketed by the defendant is in accordance with law and keeping in line with the directions issued by the Ministry of AYUSH. The use of the mark *dehors* the plaintiff's mark is bona-fide and the defendants have not gained any unfair advantage, *qua*, the plaintiff, by using the mark Coronil tablet.

29. It is the further contention of the learned Senior Counsel appearing for the appellants/defendants that the manufacture and sale of the product of the appellants/defendants will not have any detrimental effect on the plaintiff's trade mark. The products of the defendants had gained significant reputation all over the country. When the defendants are using the product with due cause, without taking unlawful advantage, the question of detrimental effect to the plaintiff over such use, will not arise. The balance of convenience is in favour of the appellants/defendants for vacating the order of interim injunction granted by the learned Single Judge. The order of the learned Single Judge is therefore liable to be vacated by allowing this appeal.

If the interim injunction is not vacated, irreparable injury and hardship would

cause to the defendants. The irreparable hardship and damage that would cause, would be, such that if the defendants were restrained to stop using the mark "Coronil", till the conclusion of trial, the reputation and goodwill gained in the market will come down significantly. If the defendants are forced to change their name, they will be left in an incongruous situation, whereby they will be made to drop the product in-toto in which event the appellants/defendants will be put to irreparable loss and hardship.

30. Above all, it is contended by the learned Senior Counsel appearing for the appellants/defendants that the Ministry of AYUSH, by a notification dated 06.03.2020, declared "Covid-19" as a Virus, which is a respiratory illness. Keeping in view the same, the defendants had commenced conducting tests of the efficacy of their ayurvedic medicine to treat the symptoms of Covid-19 and also decided to undertake a clinical trial to develop an Ayurvedic medicine. Further, there are no specific regulatory provisions contained in Drugs and Cosmetics Rules, for conducting clinic trials of Ayurveda, Siddha, Unani and Homeopathy Drugs. In such a situation, the defendants decided to counter the virus and to improve bodily immunity. For this purpose, the defendants undertook a study and generated clinical data conjointly with the National Institute of Medical Sciences (NIMS) University,

Rajasthan, as it was dealing with Covid Patients in the State of Rajasthan. The study conducted by the defendants aimed at finding out first a cure for mild and moderate symptom patients as well as asymptomatic patients. During the course of clinical data conducted by the defendants, several Public Interest Litigations were filed against the appellants/defendants herein, before the Uttarakhand High Court. One among the cases is W.P. (PIL) No.108 of 2020, which was dismissed with costs, on 07.08.2020, by a Division Bench of the High Court of Uttarakhand. It is based on the Public Interest Litigation and the newspaper reports that the respondent-plaintiff has come up with the present action against alleged infringement of their products by the defendants.

31. By referring to the order passed by the learned Single Judge, which is impugned in this appeal, the learned Senior counsel for the appellants contended that the claim of the defendants to cure the illness or to serve as an immunity booster, was criticised. According to the learned Senior Counsel appearing for the appellants/defendants, such observations are unnecessary in pre-trial stage. There is no evidence available for the learned Single Judge to cast aspersions on the mode and manner in which the defendants are engaged in their business to serve those inflicted by the ailment. Therefore, the learned Senior Counsel appearing for the appellants/defendants prayed to expunge the

remarks made by the learned Single Judge and to set aside the impugned order passed by the learned Single Judge insofar as it relates to imposition of costs.

32. Mr.Satish Parasaran, learned Senior Counsel appearing for the second appellant submitted that for consideration of grant of interim injunction, the plaintiff must establish a prima-facie case and the balance of convenience be in favour of the plaintiff. The learned Senior Counsel Mr.Satish Parasaran, while supplementing the arguments advanced by the learned Senior Counsel Mr.Aryama Sundaram, submitted that the learned Single judge erred in granting the relief to the respondent/plaintiff by the order dated 6.8.2020, which is impugned in this appeal. He submitted that the respondent/plaintiff's product has no packaging; there is no evidence of any advertisement having been effected widely to gain reputation; no evidence of sales invoice, nor the respondent/plaintiff has filed any price list before the Court. It is submitted that the test under Section 29(4) of the Trade Marks Act, 1999 calls for a greater scrutiny and the yardsticks applicable in a case under Section 29 (1) and (2) cannot be applied for alleged infringement under Section 29(4) of The Trade Marks Act, 1999.

33. It is further submitted by the learned Senior Counsel appearing for

the second appellant that in case of confusion that takes place immediately or instantaneously, whereas, dilution if any takes place gradually and therefore the Courts should not readily grant injunction at the pre-trial stage. Since the product of the appellants/defendants and respondent/plaintiff are different and cater to different sections of the consumer, infringement cannot be inferred readily so as to grant interim injunction. It is further submitted that if there is alleged dilution, there is no scope for public interest and therefore, the respondent/plaintiff is not entitled for any interim injunction under the provisions of the Trade and Merchandise Marks Act, 1958. It is further submitted that the respondent/ plaintiff cannot pick and choose an element from the appellant/defendants label for interim injunction. He referred to the decision of this court in **Rhizome Distilleries Private Limited Versus Union of India**, reported in (2012) 2 Law Weekly 204 (DB), which was authored by one of us (Justice R.Subbiah), wherein the proprietor of the registered trade marks "Imperial Blue" filed application for rectification of the trade mark Rhizome's Imperial White, Rhizome's Imperial Red and Rhizome's Imperial Green registered and in favour of the Indian company before the Intellectual Property Appellate Board (IPAB). The IPAB, by its order, allowed the application for rectification of the marks by holding that registration of the word "Imperial Gold" was in contravention of Section 11 of the Trade Marks

Act, 1999. In the said judgment, the Division Bench of this Court referred to para 23.15 of the McCarthy On Trade Marks And Unfair Competition, where it is observed that conflicting composition marks are to be compiled by looking at them as a whole, rather than breaking the mark up to their component parts for comparison which is referred to as "anti-dissection" rule. There the Court ultimately came to conclusion that if the marks "Rhizome's Imperial Gold" is compared with "Imperial blue" without splitting or dissection, there is no scope for concluding there was any confusion and thus allow the writ petition. The learned Senior Counsel Mr.Satish Parasaran further submitted that under Section 17 of the Trade Marks Act, 1999 the discretion of granting registration with the disclaimer had been done away with. Therefore, the respondent/plaintiff was obliged to obtain separate registration for each and every part of the trade mark separately to claim proprietary right. It is therefore submitted that, to maintain a suit for infringement under Section 29(4) of The Trade Marks Act, 1999, it was incumbent for the respondent/plaintiff to have obtained separate registration not only for the word "Coronil", but also for the other features of the label registered trade mark after the Trade Marks Act, 1999 came into force. It is therefore submitted that registration obtained for a composite mark by the respondent/plaintiff under the provisions of the Trade and Merchandise Marks

Act, 1958, did not enure to their right to file a suit for infringement under Section 29(4) of the Trade Marks Act, 1999. It was therefore submitted that the above suit filed by the respondent/plaintiff was misconceived.

34. That apart, it was submitted that the word "coronil" was descriptive and reputation of the respondent/plaintiff was confined to industrial fraternity and therefore, the reputation contemplated under Section 29 (4) was not satisfied by the plaintiff. It is further submitted that the refusal for registration in Section 11 (2) of the Trade Marks Act, 1999 requires that a trade mark shall not be registered which is identical with or similar to an earlier trade mark for goods or services, which are not similar to those for which the earlier trade mark was registered. Thus, only if the earlier trade mark is a well-known trade mark in India and the use of the later Mark without due cause would cause unfair advantage of or be detrimental to the distinctive character or repute of the earlier trademark, an action is maintainable. In this connection, the learned Senior Counsel referred to the decision rendered in **Pebble Beach Vs. Lombard Brands Ltd**, reported in [2003] ETMR 251. It is submitted that the quality of reputation should meet the scrutiny under Section 29(4) of the Trade Marks Act, 1999 which is several notches higher. It is also submitted that the word "Coronil" adopted by the respondent/plaintiff had not

attained the status of a household name as in the case of Sony or BATA. It is therefore submitted that the learned Single judge erred in making the interim injunction absolute based on a self-proclaimed reputation and unsubstantiated statement of account relating to the sale/turnover and the advertising expenses. In this connection, reference was made to a decision of the Calcutta High Court in the case of **JSB Cement LLP Versus Assam Roofing Ltd**, reported in **AIR 2017 Cal 246** and submitted that reputation of the mark has to be assessed based on several factors such as publicity that preceded and succeeded the launch of the product and the volume of the turnover and the impact of the mark in the minds of the public. Reference was also made to one of the decisions of this Court in the case of **Blue Hill Logistics Private Limited Vs. Ashok Leyland Ltd**, reported in **(2011) 4 CTC 417**.

35. It is further submitted by Mr. Satish Parasaran that the respondent/plaintiff's product cater to a limited consumer in the industrial sector and that over a period of 20 years, it was confined only to about 31 consumers and that there has been a decline in the turnover. On the other hand, learned Senior Counsel Mr.Satish Parasaran stated that the appellants/defendants' trade mark "Patanjali" was a well-known trade mark and the word "Coronil" with the trademark "Patanjali" garnered instant and run away success and therefore,

submitted that the suit was misconceived.

36. He further submitted that in India, the Legislators deliberately made a departure and used the expression "well-known trademark" in Section 11(2) of the Trade Marks Act, 1999 as compared to Section 5(3) of the UK Trade Marks Act, 1994, where the expression used is "reputation". A further comparison was also made between Section 29 (4) of the Trade Marks Act, 1999 and Section 10 (3) of the UK Trade Marks Act, 1994. He further submitted that it would be a paradox to restrain the appellants/defendants from using the word "Coronil", which would otherwise qualify for registration in Class I in the hands of the appellants/defendants as the trade mark "Coronil", and it was not a "well-known trade mark" in the hands of the respondent/plaintiff. Therefore, an application to register the aforesaid trade mark in favour of the registration is in class 5 of the Trade Marks Act, 1999 will be granted eventually.

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37. It is further submitted that the aforesaid mark "Coronil" was adopted by the appellant/defendants as a suggestive mark and therefore, it deserves to be registered. The learned Senior Counsel also drew our attention to Section 15 of the Trade Marks Act, 1999 and stated that if the Proprietor of

a Trade Mark Claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as a separate trade marks and each such trade mark shall satisfy all the conditions applying to and have all the incidents of an independent trade mark.

38. Further, the learned Senior Counsel appearing for the second appellant submitted that under Section 17 of the Trade Marks Act, 1999, where Trade Mark consists of several matters, its registration shall confer on such proprietor exclusive right to use of the trade mark taken as a whole and where the trade mark contains any part which is not subject to a separate application for registration as a trade mark or which is not separately registered by the proprietor as a trade mark or contains any matter which is common to the trade or is otherwise of a non-distinctive character, registration thereof shall not confer any exclusive right in the matter forming only a part of whole of the trade marks or registered. He therefore submitted that invocation of Section 29 (4) of the Trade Marks Act, 1999, was wholly without any justification. It is further submitted that the trade mark "Coronil" was not registered as word-mark by the respondent/plaintiff. It was rather registered as a label-mark, vide TM.Nos.599279 and 5992821 along with Alpha numeral 92 B and 213 SPL, with a common device in both the registered trade marks. It is

further submitted that the second appellant had applied for registration of the word-mark 4532424 and therefore, it is the appellants who are first to adopt the word "Coronil" as a trade mark. Learned Senior Counsel also submitted that the test applied in the case of passing-off cannot be applied to allege infringement under Section 29(4) of the Trade Marks Act, 1999. When both the appellants and the respondent are dealing with products which are in different classes and cater to different classes of consumers, there is no case made out for infringement, even if likelihood of confusion was one criteria for granting relief under Section 29(4) of the Trade Marks Act, 1999. It is further submitted that the trade mark of the respondent/plaintiff was a composite mark and not word-mark and therefore, question of infringement under Section 29(4) of the Trade Marks Act, 1994 cannot be countenanced. It is further submitted that the use by the appellants/defendants of the trade mark "Coronil" was not without due cause to take unfair advantage of or the adoption of the aforesaid trade mark "Coronil" was detrimental to or to the distinctive character or repetition of the respondent/plaintiff's aforesaid registered trade mark. Finally, it is submitted that there was no case made out for dilution of the trade mark "Coronil" of the respondent/ plaintiff either by blurring or by tarnish.

39. Countering the above submissions of the learned Senior Counsel appearing for the appellants/defendants, Mr. P.R. Raman, the learned Senior Counsel appearing for the respondent/plaintiff replied that registration of the plaintiff's trade mark has disclaimer only with respect to the suffixes "92B" and "21SPL" alone and not to the word "Coronil". Therefore, the submission of the learned Senior Counsel appearing for the appellants/defendants that the plaintiff's mark is a composite mark and as such, the plaintiff cannot prevent the defendants from using a part of the mark, is not correct. Similarly, the submission of the appellants/defendants that part of composite mark cannot be subject matter of infringement, is not correct. This Court as well as various High Courts have repeatedly held that the prominent, distinctive, dominant, immortal or essential feature of the composite mark cannot be permitted to be infringed in any manner. In this regard, the learned Senior Counsel appearing for the respondent/plaintiff relied on a decision of a Division Bench of this Court in the case of **Thalapakattu Biriyani and Fast Food and others Vs. Thalappakatti Naidu Ananda Vilas Biriyani Hotel and others**, reported in *MANU/TN/3155/2011*, wherein it has been held as follows:

"43. If the essential feature of the trade mark of Plaintiff have been adopted by the Defendant, the Defendant cannot contend that Plaintiff is not entitled to protection of the entire word mark and that there is no infringement of the entire mark. Essential feature in the mark is "Thalappakatti". According to Plaintiff, their grandfather was famous for his Biriyani and was

well known for the turban (Thalappa) which he tied around his head and he was associated with the "Thalappa" and he decided to name his first restaurant as "Thalappakatti Naidu Biryani Kadai" and Plaintiff using the trade name since 1957 and maintaining the quality. Defendant having used the essential feature of the mark "Thalappakatti" is a clear case of infringement".

40. By relying upon the above judgment in Thalappakatti case, learned Senior Counsel appearing for the respondent/plaintiff submitted that in the instant case, the essential feature of the mark "Coronil" cannot be infringed by claiming that the plaintiff's mark is only a composite mark.

41. The learned Senior Counsel appearing for the respondent/plaintiff further placed reliance on a decision of a Division Bench of this Court in the case of **Rhizome Distilleries Pvt Ltd., Hyderabad, Andhra Pradesh Vs. Union of India and four others**, reported in **2012 SCC Online Mad 651 = 2012 (2) LW 204 (DB)**, which was also relied on by the learned Senior Counsel appearing for the appellants, to contend that, when the comparison of the mark is taken as a whole, the distinctive portion of the trade mark is non-generic component, which is required to be compared. In the instant case, the distinctive portion of the trade mark of the plaintiff is "Coronil", which has been infringed by the defendants. If the trade mark of the plaintiff is compared to that of the defendants, it is clear that the mark of the plaintiff has been

infringed. He also relied on a decision of the Bombay High Court in the case of **Pidilite Industries Limited Vs. Jubilant Agri & Consumer Products Limited**, reported in **2014 SCC Online Bom 50 = 2014 (2) AIR Bombay R 142**, wherein, it was held that registration of a composite mark confers upon the registered proprietor, a monopoly, over the trade mark taken as a whole. Applying the ratio laid down in *Pidilite* case, it is submitted by the learned Senior Counsel appearing for the respondent/plaintiff that the word "*Coronil*" forms a prominent and essential feature of the registered trade mark. If the arguments of the defendants are accepted the composite mark can never be infringed and will become useless. For the same proposition, the learned Senior Counsel appearing for the respondent/plaintiff also relied on a decision of a Division Bench of the Delhi High Court in the case of **Himalaya Drug company Vs. S.B.L.Limited**, reported in **2012 SCC Online Delhi 136 = 2012 (194) DLT 536 (DB)**, in which it has been held that while deciding the question of infringement, the Court has to see the prominent feature of the trade mark.

42. The learned Senior Counsel appearing for the respondent/plaintiff also relied on a decision of the Delhi High Court in the case of **Bloomberg Finance LP Vs. Prafull Saklecha and others**, reported in **2013 SCC Online**

Delhi 4159 = 2014 (207) DLT 35 and contended that the plaintiff had applied for registration of the mark and therefore, the defendants cannot contend that it is a generic mark.

43. In **Aravind Laboratories vs. Modicare (cited supra)**, relied on by the learned Senior Counsel appearing for the appellants/defendants to contend that use of a dominant mark in a composite mark will not give rise to an action for infringement, it is replied by the learned Senior Counsel appearing for the respondent/plaintiff that, when the matter went before a Division Bench of this Court, by judgment dated 15.09.2016, it was held that the order of the learned Single Judge was only interim in nature and not a final decision, and therefore, it cannot be treated as a precedent. By placing reliance on the said decision, it is submitted that the word "Coronil" is the dominant and essential feature of both the registered trade marks of the plaintiff. Mere addition of the word "Divya" in Devanagari Script, in small fonts, will not help the defendants to substantiate their case. The contention of the defendants that the plaintiff's mark "Coronil" is not only distinctive, but also descriptive, cannot be raised, since the second appellant has also filed an application for registration of the word "Coronil Tablet" as a trade mark in Class 5. In this regard, he relied on the judgment reported in **Blue Hill Logistics Private**

Limited Vs. Ashok Leyland Limited and another, reported in **2011 SCC Online Mad 671 = 2011 (4) CTC 417 (DB).**

44. With regard to the submission of the learned Senior Counsel appearing for the appellants/defendants that the cases relied on by the respondent/plaintiff are only in respect to Section 29 (1) and (2) of The Act and not under Section 29 (4) of the Act, it is replied by the learned Senior Counsel appearing for the respondent/plaintiff that the appellants/defendants had forgotten the fundamental similarity in sub-sections (1), (2) and (4) of Section 29 with regard to the use of the words "identical and/or similar". The similarity or the identical nature of the registered mark and the offending mark, is the primary requirement for application of any sub-section to Section 29. Therefore, derivation of the dominant or essential feature of a registered trade mark, is only a judicial exercise, common to both Sections 29(2) and 29(4) and therefore, the decisions cited on the side of the respondent/plaintiff on that score before the learned Single Judge, have equal force in an action under Section 29(4) of the Act. Further, according to the learned Senior Counsel appearing for the appellants/defendants, to satisfy the ingredients of Section 29(4), it must be shown that there is similarity in the registered trade mark and it is used in relation to dis-similar goods or services. Further, it must

be shown that there is a reputation in India with regard to the usage of the mark without due cause and the offender should not take undue advantage or such use is detrimental to the distinctive character or reputation of the registered trade mark. In this regard, it is the reply of the learned Senior Counsel appearing for the respondent/plaintiff that, in the instant case, the word "Coronil" is used by the defendants in their trade mark. Hence, the tests as stipulated under the Act are satisfied and more particularly, Section 29(4) of the Act requires that goods or service should be dis-similar. This is also satisfied by the plaintiff.

45. With regard to the submissions of the learned Senior Counsel appearing for the appellants/defendants that reputation contemplated under Section 29 (4) of the Act has to be Pan-India reputation and should be of such a high standard that the mark should be practically a by-word on the lips of every section of the society, it is replied by the learned Senior Counsel appearing for the respondent/plaintiff that there is no such requirement that the mark should have a pan-India reputation cutting across all classifications of the products, because, deception and/or confusion is not a requirement under Section 29 (4) of the Act. The reputation of the product in a particular field would suffice. By adopting the word "coronil" of the plaintiff by the

defendants, plaintiff's mark was diluted and therefore, the plaintiff is entitled for injunction. In this regard, the learned Senior Counsel appearing for the respondent/plaintiff relied on a decision of the Full Bench of the Bombay High Court in the case of **Cipla Limited, Mumbai Vs. Cipla Industries Private Limited, Delhi and another**, reported in **2017 SCC Online Bom 6791 = AIR 2017 Bom 75**, wherein it has been held as follows:

"23. Sub-section (4) is crucial for our consideration. It brings about a major departure from the old Act. It applies in a case of a mark which is used during the course of trade in relation to goods or services which are not similar to those for which the trade mark is registered provided other conditions in the sub-section are fulfilled. The said conditions are (i) the mark used is identical with or similar to the registered trade mark (ii) the registered trade mark has a reputation in India and (iii) by the use of the mark without due cause, the user takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

24. Thus for attracting sub-section (4), it is not necessary for the plaintiff to show possibility of confusion by the use of a mark which is identical to or similar to the registered trade mark in relation to goods or services which are not similar to those for which the trade mark is registered."

46. The learned Senior Counsel appearing for the respondent/plaintiff also relied on a decision of the Delhi High Court in the case of **ITC Limited Vs. Philip Morris Products SA and others**, reported in **2010 SCC Online Delhi 27**, wherein it was held thus:-

"34. The Act, as existing is not explicit about dilution--it does not refer to that term. Yet, the entire structure of Section 29(4) is

different from the earlier part, and in effect expresses Parliamentary intent about the standards required for a plaintiff to establish dilution of its trademark, in relation to dissimilar goods or products. This is because:

(2) The object of the "dilution" form of infringement (under Section 29 (4) in effect is a wider trademark protection without the concomitant likelihood of confusion requirement, as it is in respect of dissimilar or unrelated products and services.

(3) The confusion requirements under Section 28 are different from those under Section 29(4). Section 29(4) does not refer to the need for proving confusion anywhere in the relevant portions. Obviously the emphasis here is different.

(4) The plaintiff has to establish, under Section 29(4) apart from the similarity of the two marks (or their identity) that his (or its) mark--

- (i) has a reputation in India;
- (ii) the use of the mark without due cause
- (iii) the use (amounts to) taking unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) Importantly, there is no presumption about trademark infringement, even if identity of the two marks is established, under Section 29(4). In contrast, Section 29(3) read with Section 29(2)(c) enact that if it is established that the impugned mark's identity with the registered trade mark and the identity of the goods on services covered by such registered trade mark is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark, "the court shall presume that it is likely to cause confusion on the part of the public."

47. By referring to the above decisions, it is submitted that the reputation of the plaintiff in India has to be judged from the perspective of the customer base of the plaintiff and not that of the defendants. In this context, he placed relied on the decision of **General Motors Corporation Vs. Yplon SA,**

dated 14.09.1999 (Reference to the Court under Article 177 of the EC Treaty (now under Article 234 EC) by the Tribunal de commerce de Tournai, Belgium) - (Case C - 375/97) and submitted that the prima-facie reputation of the plaintiff by using the trade name in the particular field stands established and therefore, the plaintiff is entitled for injunction. The trade name for the purpose of proof of reputation need not be a household name and it is sufficient if the trade name of the plaintiff is identified by those dealing with it.

48. With regard to the submission of the learned Senior Counsel appearing for the appellants/defendants that the use of the trade name "Coronil" has got a nexus with the present scenario leading to Corona Virus pandemic and therefore, its use is with due cause and it will not be detrimental to the use of the defendants, the learned Senior counsel appearing for the respondent/plaintiff submitted that on 14.06.2020, Baba Ram Dev, a Trustee of the second appellant announced to the world that a cure for the Corona Virus had been found with the invention of Coronil medicine. It was questioned by the Ministry of AYUSH and a clarification has been sought for. The Government of Maharashtra subsequently banned the sale of Coronil by the defendants. After spate of litigations initiated against the defendants, a

notice dated 23.06.2020 had been issued to the second appellant by the Ministry of AYUSH seeking explanation. An explanation dated 26.06.2020 was given by the second appellant stating that the medicine is being promoted by them as a cure and successful trial is being conducted. On 30.06.2020, the Ministry of AYUSH addressed the Licensing Authority, Uttarakhand to ensure that the second appellant is not permitted to sell "Coronil Tablet" as well as the other drugs Divya Shwashari Vati 540 MG and Divya Shwashari Vati 350 MG as 'Kasa and Svasa'. The claim of cure against Covid-19 was modified to claim that appellants/defendants' 'Coronil' Tablet is an immunity booster for Covid-19 Corona Virus. Even thereafter, the Ministry of AYUSH has directed that there be no reference made to the treatment of cure of Covid-19 in the packaging. Therefore, the argument that Coronil Tablets are served only as immunity booster, cannot be countenanced. Hence, the defendants were utilising the trade mark without any due cause. Even the cause shown by the defendants for marketing the tablet under the trade name, is without any bona-fides. Here again, the learned Senior Counsel appearing for the respondent/plaintiff placed reliance on the decision of the Division Bench of this Court in **Blue Hill Logistics Pvt Ltd.**, mentioned supra, wherein it has been held as follows:-

"50. One of the essential facts to be established by the plaintiff under sub-section (4) (c) of Section 29 is about the use

of the impugned mark by the 1st Defendant being "without due cause". The purpose of Section 29(4) is to protect the value and goodwill of trade marks, particularly in cases where they are well known from being unfairly taken advantage of or unfairly harmed. Use of the words "without due cause" requires the first defendant to show that not merely the use of infringing mark is in connection with the first defendant's services, but "with due cause". It requires the first defendant to establish justifiable reason and to show that use of the mark "Luxuria" is not "without due cause". In our considered view, adding on "I" to the word "Luxura" and displaying the same on the bus in the same position as that of the plaintiff cannot be said to be "with due cause". More so, in the light of the conduct of the first defendant which we have elaborated infra. Even though the words "Luxura" and "Luxuria" are derivative word of "Luxury", first defendant cannot be said to have adopted the mark "Luxura" with due cause."

49. Thus, the plaintiff has established a prima-facie case for grant of injunction. The balance of convenience is also in favour of the plaintiff and irreparable loss, prejudice and injury will be caused to the plaintiff in the event of an order refusing to grant injunction. Therefore, the learned counsel appearing for the respondent/plaintiff prayed for dismissal of this appeal by confirming the order passed by the learned Single Judge.

50. We have heard the learned Senior counsel appearing on either side and perused the materials placed on record.

51. The learned Senior counsel appearing on either side made elaborate arguments by inviting our attention to Section 29 (4) of the Trade and Merchandise Act. According to the plaintiff, none of the parameters laid down under Section 29 (4) (c) of the Trade and Merchandise Act are available to the appellants/defendants and therefore, the plaintiff is entitled for an injunction. Whereas, according to the defendant, they have fulfilled all the requirements under Section 29 (4) of the Trade and Merchandise Act, when that be so, the plaintiff is not entitled for an injunction.

52. Before entering into the above rival submissions made by the learned Senior counsel on either side, first of all, we have to see whether Section 29 of the Trade and Merchandise Act can be made applicable to the facts of the present case or not. If the answer is in the affirmative and a conclusion is reached that Section 29 will apply to this case, then the question of going into the other submissions and/or merits of the case will arise. Thus, the only question that arises for our consideration in this appeal is whether Section 29 (4) of the Trade and Merchandise Act could have been invoked by the respondent/plaintiff in this case or not.

53. The respondent/plaintiff is the registered proprietor of two trade mark viz. label mark vide TM Nos 599 279 and 5992821. The applications for registration of the these two label marks were filed in the year 1993 in class 5 to IV Schedule to the Trade and Merchandise Marks Act, 1958. They are reproduced below:-



54. The above label marks were registered as composite marks. As is evident, these label mark consists of a common device, common word “coronil” and alpha numerals namely “92 B” and “213 SPL” respectively. On the other hand, the defendants used the word “Coronil” as a word mark simpliciter.

55. The respondent/plaintiff has neither applied for nor registered the word “coronil” as a word mark even though it was an invented word and prima facie distinctive word.

56. It was suggestive and was perhaps intended to inspire an imagination that the use of product of the plaintiff would prevent corrosion in the industrial machines. It was thus suggestive word used by the respondent/plaintiff to allude to the quality of the product. Nevertheless, it was an invented word as there is no word which was known as “coronil”. Yet the respondent/plaintiff choose not to apply for registration of the word “coronil”. Thus, the respondent/plaintiff's registration was compromised by the respondent/plaintiff itself and it was satisfied with registration of the composite labels. There was a defect in its birth which was never cured over a period of last 27 years.

57. Though both the registrations of the above labels in favour of the respondent/plaintiff, they were registered with a disclaimer to the alpha numerals namely 92 B and 213 SPL. No monopoly was claimed over the words “Coronil” by the respondent/plaintiff.

58. The registration of the above label did not confer any exclusive rights over the word “Coronil”. Disclaimer was accepted by the respondent/plaintiff under Section 17 of the Trade and Merchandise Marks

Act, 1958. As per the aforesaid provision, if a Trade mark

(a) contains any part –

(i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or

(ii) which is not separately registered by the proprietor as a trade mark; or

(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character;

the tribunal, in deciding whether the trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register, that the proprietor shall either disclaim any right to the exclusive use of such part or of all or any portion of such matter, as the case may be, to the exclusive use of which the tribunal holds him not to be entitled, or make such other disclaimer as the tribunal may consider necessary for the purpose of defining the rights of the proprietor under the registration:

Provided that no disclaimer shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

59. Thus, the Tribunal i.e. Registrar of Trade Marks or the High Court while deciding whether the trade mark shall be entered or shall remain in the Trademark register, may require, as a condition of its being on the register, that the proprietor shall either disclaim any right to the exclusive use of such part or of all or any portion of such matter, as the case may be, to the exclusive use of which the tribunal holds him not to be entitled, or make such other

disclaimer as the tribunal may consider necessary for the purpose of defining the rights of the proprietor under the registration.

60. As per the proviso, no disclaimer shall affect any rights of the proprietor of a trade mark except such right which arise out of the registration of the trade mark in respect of which the disclaimer is made.

61. While there was disclaimer for the alpha numeral 92 B and 213 SPL in the registered label, there was no disclaimer for the word “coronil” by the respondent/plaintiff. However, that would not mean the respondent/plaintiff had monopoly over the word “Coronil” in the registered label as was submitted by the learned senior counsel for the respondent/plaintiff that the respondent/plaintiff had monopoly over the word “coronil” and was entitled to file a suit for infringement under Section 29(4) of the Trade Marks Act, 1999. It would have different, if the respondent/plaintiff had applied for registration of the word “Coronil” as a word mark.

62. Section 17 of the Trade Mark Act, 1999 as it reads now is different from Section 17 of the Trade and Merchandise Marks Act, 1958. The

provision requiring disclaimer has been done away under Section 17 of the Trade Mark Act, 1999. Section 17 of the Trademarks Act, 1999 as it reads now reads as under:-

- 1)When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.
- 2)Notwithstanding anything contained in sub-section (1), when a trade mark,
 - (a) contains any part-
 - (i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or
 - (ii) which is not separately registered by the proprietor as a trade mark; or
 - (b) contains any matter which is common to the trade or is otherwise of a non-distinctive character,

63. The registration of a trade mark does not confer any exclusive right or monopoly over a part of the trade mark so registered. To understand, the scope of the registration under Section 17 of the Trade and Merchandise Marks Act, 1958 under which disclaimer was accepted by the respondent/plaintiff, reference to the said provision may be made when registration was granted to the respondent/plaintiff.

64. Section 17 of the Trade and Merchandise Marks Act, 1958, was pari-materia with Section 13 of the Trademark Act, 1940. However, it did read slightly differently. Section 13 of the Trade Marks Act, 1940 and Section 17 of the Trade and Merchandise Marks Act, 1958 are reproduced below:--

Section 13 of the Trade Marks Act, 1940.	Section 17 of the Trade and Merchandise Marks Act, 1958.
Registration subject to disclaimer.—	
<p>If a trade mark contains—</p> <p>(a) any part not separately registered as a trade mark in the name of the proprietor, or for the separate registration of which no application has been made, or</p> <p>(b) any matter common to the trade, or otherwise of a non-distinctive character, the tribunal, in deciding whether the trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register, that the proprietor shall either disclaim any right to the exclusive use of such part or of all or any portion of such matter, as the case may be, to the exclusive use of which the tribunal holds him not to be entitled, or make such other disclaimer as the tribunal may consider necessary for the purpose of defining the rights of the proprietor under the registration:</p>	<p>1) if a Trade mark</p> <p>(a) contains any part –</p> <p>(i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or</p> <p>(ii) which is not separately registered by the proprietor as a trade mark; or</p> <p>(b) contains any matter which is common to the trade or is otherwise of a non-distinctive character;</p> <p>Provided that no disclaimer shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.</p>

Provided that no disclaimer shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.”

65. Dealing with the scope of Section 13 of the Trademark Act, 1940, the Hon'ble Supreme Court in **Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd (1955) 2 SCR 252: AIR 1955 SC 558**, observed as under in paragraph 6 as follows:-

"6. ... At the outset it will be noticed that the power of the tribunal to require a disclaimer is conditioned and made dependent upon the existence of one of two things which are set out in clauses (a) and (b) and which have been called the jurisdictional facts. It is only on the establishment of one of the two jurisdictional facts that the Registrar's jurisdiction regarding imposition of a disclaimer arises. Before, however, he may exercise his discretion he must find and hold that there are parts or matters included in the trade mark to the exclusive use of which the proprietor is not entitled and it is only after this finding is arrived at that the Registrar becomes entitled to exercise his discretion. In course of the argument it was at one time contended that upon the establishment of the requisite jurisdictional fact and upon the finding that the proprietor was not entitled to the exclusive use of any particular part or matter contained in the trade mark the Registrar became entitled, without anything more, to require a disclaimer of that part or matter. This extreme position, however, was not maintained in the end and it was conceded, as indeed it had to be, that the exercise of the power conferred on the Registrar by this section

always remained a matter of discretion to be exercised, not capriciously or arbitrarily but, according to sound principles laid down for the exercise of all judicial discretion. (See the observations of Lord Halsbury, L.C., in *Sharp v. Wakefield* [LR 1891 AC 173 at p 179]). As the law of Trade Marks adopted in our Act merely reproduces the English Law with only slight modifications, a reference to the judicial decisions on the corresponding section of the English Act is apposite and must be helpful. Section 15 of the English Act of 1905 which later on was reproduced in Section 14 of the English Act of 1938 and which corresponds to our Section 13, was considered by the High Court in England in *In re Albert Baker Co.'s Application* and *In re Aerated Bread Company's Application* [LR (1908) 2 Ch 86 : 25 RPC 513] which is commonly called the A.B.C. case. In that case Eve, J. found on the evidence that Albert Baker Company were widely known as “A.B.C.” or “A.B. & Co.” but that the letters “A.B.C.” did not exclusively indicate their goods and that those letters being common to the trade they were not entitled to the exclusive use of those letters. Nevertheless the learned Judge did not hold that that finding alone concluded the matter. Said the learned Judge:

“The first observation which it occurs to me to make is that the object of the legislature was to relieve traders from the necessity of disclaiming, and I think it follows from this that the condition is one for the imposition of which some good reason ought to be established rather than one which ought to be imposed, unless some good reason to the contrary is made out. This conclusion is, I think, fortified by the frame of the section, which is in an enabling form empowering the tribunal to impose the condition — power which, I conclude, the Tribunal would only exercise for good cause shown.” It follows from what has been stated above that the existence of one of the two jurisdictional facts referred to in clauses (a) and (b) of Section 13 and the finding that the trade mark contains parts or matters to the exclusive use of which the proprietor is not entitled does not conclude the matter and it must further be established that some good reason exists for the imposition of a disclaimer and the Tribunal will only exercise the discretionary power for good cause shown.

66. The Court further held that “The second thing to be borne in mind, if the provisions of Section 13 are to be properly understood and carried into effect, is that the section confides a discretionary power in the "tribunal" which, by virtue of Section 2(n), means the Registrar or, as the case may be, the Court before which the proceeding concerned is pending.

67. The Court further held that “The third thing to note is that the avowed purpose of the section is not to confer any direct benefit on the rival traders or the general public but to define the rights of the proprietor under the registration. The registration of a trade mark confers substantial advantages on its proprietor as will appear from the sections grouped together in Chapter IV under the heading "Effect of Registration". It is, however, a notorious fact that there is a tendency on the part of some proprietors to get the operation of their trade marks expanded beyond their legitimate bounds. An illustration of an attempt of this kind is to be found in *In re Smokeless Powder Co.'s Trade Mark*, LR (1892) 1 Ch. 590 : 9 RPC 109. Temptation has even led some proprietors to make an exaggerated claim to the exclusive use of parts or matters contained in their trade marks in spite of the fact that they had expressly disclaimed the exclusive use of those parts or matters. Reference may be made to *Greers Ltd. v. Pearman and Corder Ltd.* (1922) 39 RPC 406

commonly called the "Banquet" case. The real purpose of requiring a disclaimer is to define the rights of the proprietor under the registration so as to minimise, even if it cannot wholly eliminate, the possibility of extravagant and unauthorised claims being made on the score of registration of the trade marks.”

68. The proviso to Section 13 of the Trademark Act, 1940, which is similar to proviso to Section 140 of the Trade Marks Act as extracted above is not there in Section 17 of the Trade Marks Act, 1999, as evident from the reading of the above provisions which has been extracted above. It should be noted Section 15 of the Trade Marks Act, 1999 as also Section 15 of the Trade and Merchandise Act, 1958 have set the limitation. Both read as under:

Section 15 of the Trade Marks Act, 1999	Section 15 of the Trade and Merchandise Act, 1958
<p>15. Registration of parts of trade marks and of trade marks as a series.— (1)Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.</p> <p>(2) Each such separate trade mark shall satisfy all the conditions applying to and have all the incidents of, an independent trade mark.</p>	<p>15. Registration of parts of trade marks and of trade marks as a series. (1)Where the proprietor of a trade mark claims to be entitled to the exclusive use of any part thereof separately, he may apply to register the whole and the part as separate trade marks.</p> <p>(2) Each such separate trade mark shall satisfy all the conditions applying to, and have all the incidents of, an independent trade mark.</p>

Section 15 of the Trade Marks Act, 1999	Section 15 of the Trade and Merchandise Act, 1958
<p>(3) Where a person claiming to be the proprietor of several trade marks in respect of the same or similar goods or services or description of goods or description of services, which, while resembling each other in the material particulars thereof, yet differ in respect of—</p> <p>(a) statement of the goods or services in relation to which they are respectively used or proposed to be used; or</p> <p>(b) statement of number, price, quality or names of places; or</p> <p>(c) other matter of a non-distinctive character which does not substantially affect the identity of the trade mark; or</p> <p>(d) colour, seeks to register those trade marks, they may be registered as a series in one registration.</p>	<p>(3) Where a person claiming to be the proprietor of several trade marks in respect of the same goods or description of goods which, while resembling each other in the material particulars thereof, yet differ in respect of--</p> <p>(a) statement of the goods in relation to which they are respectively used or proposed to be used; or</p> <p>(b) statements of number, price, quality or names of places; or</p> <p>(c) other matter of a non- distinctive character which does not substantially affect the identity of the trade mark; or</p> <p>(d) colour; seeks to register those trade marks, they may be registered as a series in one registration.</p>

69. Thus, there is a inherent limitation in the registration obtained by the respondent/plaintiff. As far as proviso concerned, the Hon'ble Supreme Court in the said case, **Registrar of Trade Marks Vs. Ashok Chandra Rakhit Ltd (cited supra)** held that the proviso deserves intact any right which the proprietor otherwise may or under any other law which or any part there of.

This disclaimer is only the purpose of the Act. It does not affect any right of the proprietor except such rights which arise out of the registration that is to sayin special advantage which the act gives to the proprietor by the reason of the registration of the Trade Mark Act do not explain to the part or matters which he disclaims.

70. The Supreme Court in the above decision, further explained the functions of the disclaimer as follows:-

“ In short, the disclaimed parts or matters are not within the protection of the statute. **That circumstance, however, does not mean that the proprietor's rights, if any, with respect to those parts or matters would not be protected otherwise than under the Act.**”

71. The Supreme Court in the above decision, ultimately held that the distinct label registered as a whole cannot possibly give any exclusive statutory right to the proprietor of the trade mark in close any particular word the name contained therein **apart from the mark as a whole**. The Supreme Court referred to the following observations of **Lord Esher in Pinto Vs. Badman (8 RPC 181 at p.191), In re Apollinaris Company's Trade Marks (LR (1891) 2 Ch. 186), In re Smokeless Powder Co.. (LR (1892) 1 Ch 590 : 9 RPC 109), In re Clement and Cie (LR (1900) 1 CH 114) and In re Albert**

Baker & Company (LR (1908) 2 Ch. 86 : 25 RPC 513), the truth is that the label does not consist of each particular part of it, but consists of the combination of them all”.

72. Merely because the labels were registered subject to the following disclaimer:-

(g) "Registration of this Trade Mark shall give no right to the exclusive use of the word 'Shree'".

73. It is in the context of the above dispute, the Supreme Court, in the above decision, after considering the various decisions held that the Registrar while granting registration has not gone wrong and thus the High Court found it necessary to interfere with the discretion under Section 13 of the Trade Mark Act, 1940. It noted that "*The device which, its essential features, was, on the application of the respondent company, registered as its trade mark No. 3815. That mark was and is a device consisting of the word "Shree" written on the top in bold Bengali character, having below it an ornamental figure with the word "Shree" written in the center in small Deva Nagri character.*"

74. In the said case, the mark in question consisted of a device along with the word “Shree” written on the top in bold Bengali character, having below it an ornamental figure with the word “Shree” written in the centre in small Deva Nagri character. The Registrar had imposed a disclaimer for the word “Shree” . Answering the question, the Hon’ble Supreme Court observed as under:-

"Considering all the circumstances discussed above, we are not of opinion that the Registrar had gone so wrong as to have made it necessary for the High Court to interfere with his discretion. If it were to be regarded as a matter of exercise of discretion by the High Court as to whether a disclaimer should be imposed or not, it is quite clear that the attention of the High Court was not drawn to an important consideration, namely, the **strong possibility of the respondent company claiming a statutory right to the word "Shree" by virtue of the registration of its trade mark and subject others to infringement actions only on the strength of the registration and without proof of facts which it would have otherwise to establish in order to succeed in a passing off action or a prosecution under the Indian Penal Code and, therefore, the High Court cannot be said to have properly exercised its discretion. The result, therefore, is that this appeal must be allowed and the respondent company must pay the appellant's costs in this Court and in the High Court.**

75. In **F.Hoffmann-La Roche &Co.Ltd v. Geoffrey Manner & Co. (P) Ltd.**, (1969) 2 SCC 716 at page 720 it was held as follows:-.

“It is also important that the marks must be compared

*as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient similarity to cause confusion. **The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of persons accustomed to the existing trade mark.** Thus in *Layromacase*(1). Lord Johnston said: ". ' we are not bound to scan the words as we would in a question of *comparatioliterarum*. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop."*

76. In **Amritdhara Pharmacy Vs. Satya Deo Gupta**, (1963) 2 SCR 484 : AIR 1963 SC 449 it was held as follows:-

*"We agree that the use of the word 'dhara' which literally means 'Current or stream' is not by itself decisive of the matter. What we have to consider here is the overall similarity of the composite words, having regard to the circumstance that the goods bearing the two names are medicinal preparations of the same description. We are aware that the admission of a mark is not to be refused, because unusually stupid people, "fools or idiots", may be deceived. A critical comparison of the two names may disclose some points of difference. but an unwary purchaser of average intelligence and imperfect recollection would be deceived by the overall similarity of the two names having regard to the nature of the medicine he is looking for with a somewhat vague recollection that he had purchased a similar medicine on a previous occasion with. a similar name. **The trade mark is the whole thing the whole word has to be considered.** In the case of the application to register 'Erectiks' (opposed by the proprietors of the trade mark 'Erector') Farwell, J. said in *William Bailey (Bir- mingham) Ltd. Application [(1935) 52 RPC 137]*: "I do not think it is right to take a part of the word and compare it with a part of the-*

Word; one word must 'be considered as a whole and compared with the other word as a whole..... I think it is a dangerous method to adopt to divide the word up, and seek to distinguish a portion of it from a portion of the other word".

77. **Kaviraj Pandit Durga Dutt Sharma V. Navaratha Pharmaceuticals Laboratories**, (1965) 1 SCR 737 : AIR 1965 SC 980it was held as follows:-

*“The mark of the respondent which he claims has been infringed by the appellant is the mark 'Navaratna Pharmaceutical Laboratories', and the mark of the appellant which the respondent claimed was a colourable imitation of that mark is 'Navaratna Pharmacy. Mr. Agarwala here again stressed the fact that the 'Navaratna' which constituted an essential part or feature of the Registered Trade Mark was a descriptive word in common use and that if the use of this word in the appellant's mark were disregarded, there would not be enough material left for holding that the appellant had used a trade mark which was deceptively similar to that of the respondent. **But this proceeds, in our opinion, on ignoring that the appellant is not, as we have explained earlier, entitled to insist on a disclaimer, in regard to that word by the respondent. In these circumstances, the trade mark to be compared with that used by the appellant is the entire registered mark including the word 'Navaratna'. Even otherwise, as stated in a slightly different context:(1) "Where common marks are included in the trade marks to be compared or in one of them, the proper course is to look at the marks as wholes and not to disregard the parts which are common".***

<https://www.mhc.tn.gov.in/judis> 78. Thus, on the one hand the registration of the Trademark granted

to the respondent/plaintiff wide TMP.Nos.599 279 and 5992821 have to be seen as a whole without any monopoly over the alpha numerals 92B and 213 SPL. The registration granted to the respondent/plaintiff has to be seen as a whole of label consisting of device, the word “Coronil” and the disclaimed portions. It cannot mean that the registration of trademark of the respondent/plaintiff was for the word “Coronil” to the exclusion of the other feature namely the device the alpha numerals 92B and 213 SPL. If the respondent/plaintiff held an independent registration for the word “Coronil”, it can be said that a suit or an action for infringement of trade mark under Section 29(4) of the Trade Mark Act, 1999 was maintainable. It is only thereafter further enquiry under Section 29(4) of the Trade Mark Act, 1999 could have been made by the Court as to ascertain whether the respondent/plaintiff was entitled for further protection. Mere registration of a composite consisting several features namely a device, a word and disclaimed alpha numerals 92 B and 213 SPL cannot any right to file a suit for infringement under Section 29(4) of the Trade Marks Act, 1999.

79. Further, even under Section 17 of the Trade Marks Act, 1999, protection is only afforded to the entire trademark as registered, and not to mere parts of the trade mark. In the instant case, registration has been

obtained by the plaintiff over the label with the words and alpha numeral Coronil 92B and Coronil 213 SPL as a composite mark and not as a word for “Coronil as envisaged under Section 15. Therefore, for the purpose of Section 29 (4) of the Trade Marks Act, 1999, the respondent/plaintiff cannot claim monopoly over the word "Coronil" as it was registered as a part of composite mark. We also wish to observe that when each part of a label mark is capable of being individually registered, we cannot dissect and split up into its component parts and grant an injunction. In this regard, we are fortified by the decision of the Division Bench of this Court in **Rhizome Distilleries** case, mentioned supra and useful reference can be made to the observations made therein:-

"Conflicting composition marks are to be compared by looking at them as a whole, rather than breaking the marks up into their component parts for comparison. This is the 'anti-dissection' rule.... A mark should not be dissected or split up into its component parts and each part then compared with corresponding parts of the conflicting mark to determine the likelihood of confusion. It has been held to be a violation of the anti-dissection rule to focus upon the 'prominent' feature of a mark and decide likely confusion solely upon that feature, ignoring all other elements of the mark. Similarly, it is improper to find that one portion of a composite mark has no trademark significance, leading to a direct comparison between only that which remains."

80. The test for infringement under Section 29(1) and Section 29(2)

of the Trademarks Act, 1999 are materially different from the test for determining infringement under Section 29(4) of the Trademarks Act, 1999. Section 29(4) of the Trademarks Act, 1999 is attracted only in case of use of a trademark which is identical with or similar with the registered trademark for goods or services which are not similar for which the trademark has been registered.

81. Though the respondent's/plaintiff's label registered as a trademark and incorporates the word "Coronil", it cannot be said that the word "Coronil" adopted by the appellants/defendants was similar to that of the registered labels of the respondent/plaintiff.

82. It would have been different if the respondent/plaintiff had obtained a registration of the word "Coronil" or any other word which was phonetically similar or identical with the aforesaid word. Therefore, it cannot be said that the respondent/plaintiff had established a prima facie for the purpose of grant of interim relief for the alleged infringement of trademark under Section 29(4) of the Trademarks Act, 1999. That apart, respondent/plaintiff was also required to satisfy reputation in India and that the

use of the offending word as a trademark by the appellants/defendants was “without due cause” and was intended to take unfair advantage by using the offending mark and that such use was detrimental to the distinctive character or reputation in the registered trademark. These are matters which are to be determined only after trial.

83. As the respondent/plaintiff had not claimed any monopoly over the word “Cornonil” by obtaining a separate registration of the aforesaid word as a word mark, we are of the prima facie view that the impugned order is liable to be set aside even if respondent/plaintiff may have a case for dilution of its trademark by the appellants/defendants. In case, there is dilution of the trademark/label of the respondent/plaintiff, the respondent/plaintiff can claim damages which has to be determined only after a trial.

84. In the light of the above decision, we are of the prima facie view that the use of the word 'Coronil' in the process of manufacture and sale of a tablet as an immunity booster, will not be detrimental to the distinctive character or repute of the registered trade mark of the plaintiff. In such view of the matter, we are of the view that the plaintiff has not made out a case for

interference by granting an interim injunction in their favour.

85. As we do not find that the respondent/plaintiff had made a prima facie case for grant of interim relief, the balance of convenience was also not in favour of the respondent/plaintiff for grant of interim relief. The question of satisfying the 3rd limb for granting interim injunction, namely irreparable loss or injury to the respondent/plaintiff, is also not relevant for the same reason. Therefore, the impugned order passed by the learned single judge is liable to be set aside. Consequently, the cost imposed on the appellants/defendants is also liable set aside. Further, dispute between the appellants/defendants and the plaintiff/respondent being a “commercial dispute” within the meaning of Section 2(c) of the Commercial Courts Act, 2015 and are to be disposed in a time bound manner, we are therefore of the view that the suit should be decided by the Commercial Division of the High Court and disposed in a time bound manner in terms of the above Act.

86. In the result, we set aside the impugned order dated 06.08.2020 passed in O.A.No.258 of 2020 in C.S.No.163 of 2020 with the above observations. The Original Side Appeal is allowed. No costs. Consequently,

C.M.Ps. are closed.

(R.P.S.J) (C.S.N.J.,)

02-02-2021

Index: Yes / No

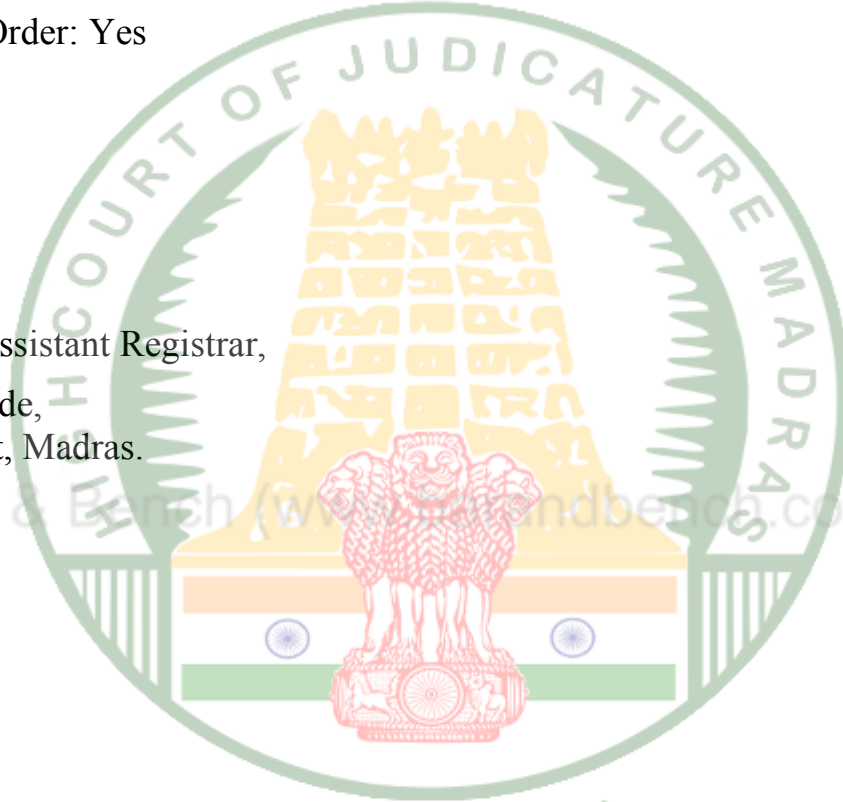
Speaking Order: Yes

rsh/cs/jen

To

The Sub-Assistant Registrar,

Original Side,
High Court, Madras.



Bar & Bench (www.barenbench.com)

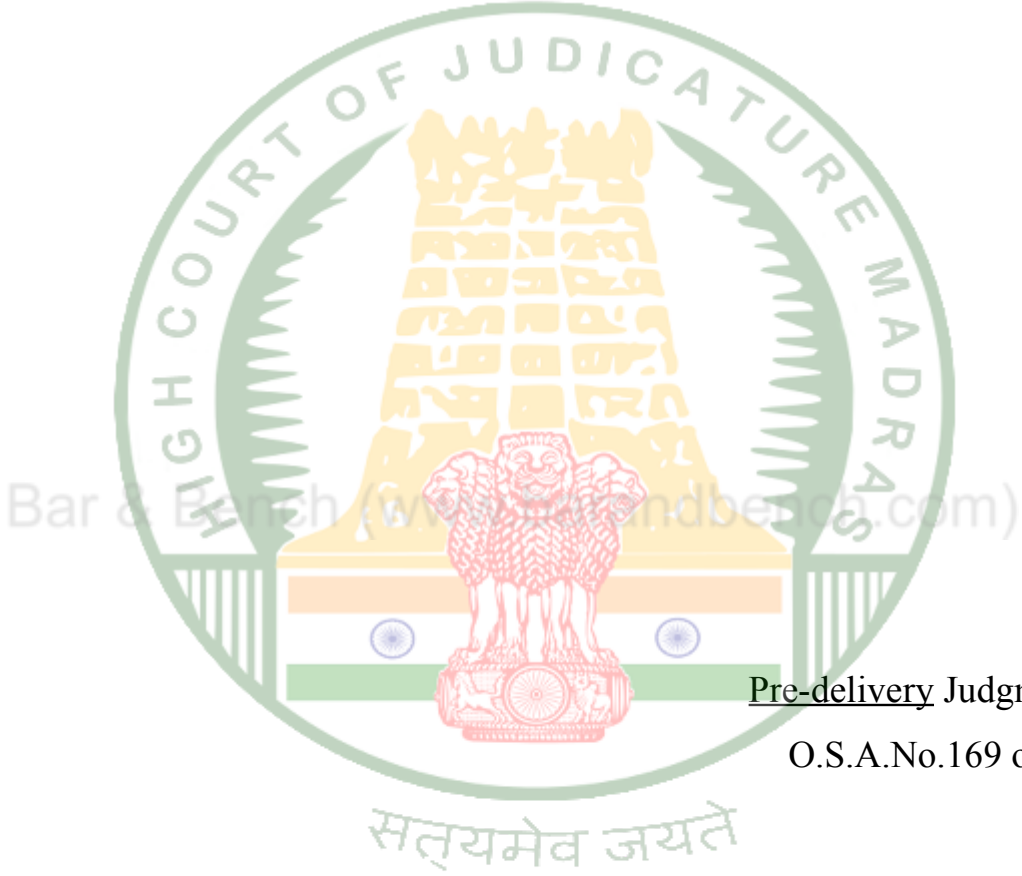
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O.S.A.No.169 of 2020

R. SUBBIAH, J
and
C. SARAVANAN, J

CS



Pre-delivery Judgment in
O.S.A.No.169 of 2020

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Judgment Delivered on
02.02.2021