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REPORTABLE

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

IN ITS COMMERCIAL DIVISION

INTERIM APPLICATION (L) NO. 142 OF 2021

IN

COMMERCIAL IP SUIT (L) NO. 136 OF 2021

Franco Indian Pharmaceuticals Pvt Ltd …Plaintiff
Versus
Corona Remedies Pvt Ltd …Defendant

WITH

INTERIM APPLICATION NO. 374 OF 2021

IN

COMMERCIAL IP SUIT (L) NO. 136 OF 2021

Corona Remedies Pvt Ltd …Plaintiff
Versus
Franco Indian Pharmaceuticals Pvt Ltd …Defendant

Mr Amit Jamsandekar, *with Mr Kiran Mehta, Mr Vighnesh Kamat & Ms Archita Gharat, i/b Kiran J Mehta, for the Plaintiff.*
Mr Vikas Khera, *with Mr Amit Kukreja & Mr Ashish Rohra, for the Defendant.*

CORAM: G.S. PATEL, J
DATED: 1st March 2021

ORAL JUDGMENT:-

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1. The Plaintiff, Franco Indian Pharmaceuticals Pvt Ltd ("Franco Indian"), and the Defendant, Corona Remedies Pvt Ltd ("Corona Remedies"), are both pharmaceutical companies. The contest in this trade mark infringement and passing off action is between Franco Indian's mark STIMULIV, an Ayurvedic preparation sold in syrup and tablet form, and Corona Remedies' STIMULET, an allopathic formulation used only in the treatment for breast cancer disorders and infertility.

2. The Suit was filed in November 2020. Since then, Affidavits in Reply, Rejoinder, and further Affidavits have been filed.

3. I have heard Mr Jamsandekar for the Plaintiff and Mr Khera for the Defendant at a considerable length, and with their assistance considered the rival submissions. There is also before me Corona Remedies' Interim Application No. 374 of 2021 for rejection of the Plaint. Whether this is under Order VII Rule 11 of the Code of Civil Procedure 1908 ("CPC") or Section 151 is somewhat uncertain. The present order will dispose of both, the principal Interim Application filed by Franco Indian, and the opposing Interim Application No. 374 of 2021 by Corona Remedies.

4. The reliefs in Franco Indian's Motion are for an injunction in the usual form against Corona Remedies from using its mark STIMULET / STIMU-LET so as to infringe Franco Indian's STIMULIV mark; and for a corresponding injunction in passing

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off. Thus, the only reliefs sought are in respect of the trade mark. There is no case in copyright infringement.

5. Having carefully considered the rival submissions, I am not persuaded that the various defences raised by Corona Remedies have enough substance to defeat the injunction application by Franco Indian. I am also not persuaded that there is any merit at all in Corona Remedies' Interim Application seeking a rejection of the Plaint. For the reasons that follow, I have made Franco Indian's Interim Application absolute in terms of both prayers, and have dismissed Corona Remedies' Interim Application for rejection of the Plaint.

6. I begin this judgment by turning directly to the question of similarity between the two marks. It seems to me that this is a determinative, and even dispositive, threshold consideration. If the marks are dissimilar then nothing remains to be done, and Franco Indian must fail. It is only if there is a similarity that the other defences will need to be considered.

7. I approach this question of similarity from two distinct perspectives. The first is the usual test of common perception upon seeing the marks. There is no doubt that they are visually similar. The distinction between them is only of a pair of vowels and pair of consonants. Franco Indian uses 'IV' as the last two letters of its mark. Corona Remedies uses 'ET' as the last two letters of its rival mark. In a country where pronunciation in English is seldom, if ever, optimal and frequently much less than that, I do not think this is a

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sufficient phonetic distinction or distinctiveness to tell one from the other. The significance of this is not what Mr Khera would make it out to be. For, in his submission, since the two products are in entirely different segments — one a Schedule H prescription drug available only on a medical practitioner's prescription, for a very specialised treatment of treating breast cancer or infertility, and the other a more innocuous and commonly usable liver supplement — there is no possibility of confusion or of one being mistaken for the other. The situation seems to me to be precisely the reverse. It is perhaps because of this niche segregation that the slightest amount of confusion cannot and should not be permitted. This will lead us, as we shall shortly see, to a series of defences taken by Mr Khera, which I will consider in turn.

8. The second approach to distinctiveness emanates from the Defendant's own conduct. The reason is this. This is not a case where the Defendant is an unregistered user of a rival mark. The Defendant, Corona Remedies, actively sought and obtained registration of its rival mark STIMULET. Now, the moment it applied for registration, there was an implicit acceptance that the mark, as a whole, is indeed distinctive and capable of being distinguished. It is therefore pointless for Corona Remedies to argue that any part of Franco Indian's STIMULIV is common to the trade, or that *STIMUL* is used by many other manufacturers. If that be so, then Corona Remedies's own mark STIMULET would also be vulnerable for the same reason; and *no* mark with *STIMUL* would ever attain registration This addresses the first part of the Defendant's approach.

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9. The second part is based on a submission made in the Affidavit in Reply where, while alleging that the Suit is not maintainable, Corona Remedies invokes Section 28(3) of the Trade Marks Act 1999. Section 28 speaks of right conferred by registration and sub-section 3 reads thus:

> "Section 28. Rights conferred by registration—
>
> (1)……..
>
> (2)…….
>
> (3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor."

10. The invocation of Section 28(3) is thus predicated on an acceptance that the two marks are indeed identical with, or nearly resemble, each other.

11. It is therefore not possible, from either perspective, i.e. from a generalised test, or even by the Defendant's own approach, to accept the argument that the two marks are indeed dissimilar. Once that similarity is established, the other considerations of inter alia Section 29 will then begin to operate. I will turn to these presently.

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12. Now to a brief factual background of the rival registrations. Franco Indian adopted the STIMULIV mark as long ago as 28th June 1974. It was at that time proposed to be used. A copy of the certificate of registration was issued on 24th September 1976. It has been renewed subsequently. The registration of the word mark STIMULIV, importantly, at that time it was in Class 5, as pharmaceutical preparations for the treatment of liver and allied disorders. What matters about this certificate of 28th June 1974 is that it was issued under the Trade and Merchandise Marks Act 1958 and the certificate was in Part A of the register under the 1958 Act.[1] Sub-sections 2, 3, and 5 of Section 9 of the 1958 Act are also instructive. The whole of Section 9 of the 1958 Act is reproduced below:

> "9. Requisites for registration in Parts A and B of the register—
>
> (1) A trade mark shall not be registered in Part A of the register unless it contains or consists of at least one of the following essential particulars, namely:
>
> (a) the name of a company, individual or firm represented in a special or particular manner;
>
> (b) the signature of the applicant for registration or some predecessor in his business;
>
> (c) one or more invented words;
>
> (d) one or more words having no direct reference to the character or quality of the goods and not being, according to its ordinary signification, a geographical name or a surname or a personal name

1 Interim Application *p.* 248.

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or any common abbreviation thereof or the name of a sect, caste or tribe in India;

(e) any other distinctive mark.

(2) A name, signature or word, other than, such as, fall within the descriptions in clauses (a), (b), (c) and (d) sub-section (1) shall not be registrable in Part A of the register except upon evidence of its distinctiveness.

(3) For the purposes of this Act, the expression "distinctive" in relation to the goods in respect of which a trade mark is proposed to be registered, means adapted to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists either gradually or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(4) A trade mark shall not be registered in Part B of the register unless the trade mark in relation to the goods in respect of which it is proposed to be registered is distinctive, or is not distinctive but is capable of distinguishing goods with which the proprietor of a trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is proposed to be registered subject to limitations, in relation to use within the extent of the registration.

(5) In determining whether a trade mark is distinctive or is capable of distinguishing as aforesaid, the tribunal may have regard to the extent to which—

(a) a trade mark is inherently distinctive or is inherently capable distinguishing as aforesaid; and

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> (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact so adapted to distinguish or is in fact capable of distinguishing as aforesaid.
>
> (6) Subject to the other provisions of this section, a trade mark in respect of any goods—
>
> (a) registered in Part A of the register may be registered in Part B of the register; and
>
> (b) registered in Part B of the register may be registered in Part A of the register;
>
> in the name of the same proprietor of the same trade mark or any part or parts thereof.
>
> (*Emphasis added*)

13. This makes it clear that the mark could not have entered Part A of the register unless it was distinctive.

14. There is a second registration of a device mark of 6th May 1988. This was under Class 5, but was not limited to any particular ailment or condition. The document at page 33 of the Plaint shows this as "proposed to be used". Apparently, this was an error in Form TM-1 that has been corrected little later, at page 250. This shows its use since 1975.

15. Coming now to prima facie evidence of usage, what we see is that there have been significant sales and turnover, and this has been traced back, though with some difficulty, until 2010. For the STIMULIV mark, the last set of figures for the year 2019-2020 are Rs.1311.70 lakhs. The promotional expenses are generalised and not

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specific to this particular mark, but they are nonetheless significant. The range of invoices has been further detailed in the filings in the Interim Application. The earliest invoice in the Plaint itself was of 2007,[2] but the Interim Application has invoices from 1998,[3] 1976,[4] 1982,[5] and 1985.[6] It is difficult, prima facie, to see any effective refutation of any of these aspects. Mr Khera does argue that the promotional figures are insufficient, but there is not much more that can be said about this as we shall presently see. According to Franco Indian, it found an advertisement in the Trade Mark Journal in July 2020 for the Corona Remedies' mark, and it moved in November 2020 after filing a notice of opposition before the Registrar of Trade Marks.

16. Corona Remedies says that it had adopted the mark on 9th September 2010, and it has used it ever since. Its first registration document is available.[7] What seems to have happened is: there was use in 2010–11 and 2011–12, but then right up to 2016–17 there was no use at all by Corona Remedies of its STIMULET mark. This has a number of consequences, to which I will return very shortly.

17. According to Mr Khera, the September 2010 application was advertised only six years later, on 10th October 2016, and was granted on 2nd March 2017. This was at a time when there were

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2 Plaint *p.* 36.
3 Interim Application *p.* 295.
4 Interim Application *p.* 292.
5 Interim Application *p.* 293.
6 Interim Application *p.* 294.
7 Interim Application *p.*61.

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next to no sales under the mark.[8] Then, on 10th January 2020, Corona Remedies made a second application for a word mark.[9] It was this mark that was advertised in the Trade Marks Journal in July 2020, noticed thereafter by Franco Indian, which led to the filing of this suit.

18. Even Corona Remedies' own document, i.e. the Chartered Accountant's certification, shows that there is a hiatus of four years or more in the use of the rival mark, from 2012 onwards. There is of course an explanation for this, which Mr Khera is quick to point out. He says that there was a government-issued ban of 12th October 2011 prohibiting the use of the drug Letrozole for induction of ovulation in infertility, and therefore Corona Remedies discontinued the use of the mark for this period of time.[10] According to Corona Remedies, it is for this reason that its mark could not be used between 12th October 2011 and 17th February 2017. At this prima facie stage, it is not necessary to go into greater detail than this. Corona Remedies is admittedly a non-user for this period of time. This will have some impact on one of the arguments that I have heard from Mr Khera. There is of course, I may note in passing, no material to indicate whether the drug might have been used in the treatment of breast cancer even during this so-called banned period.

19. With this as the factual background, Mr Jamsandekar submits that there is a clear-cut case for the grant of an injunction. There can

8 Interim Application *p.*336.

9 Interim Application *p.*64.

10 Record, pages 329–330

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be no dispute on facts that Franco Indian is the prior user. Indeed, it is the prior user by several decades. Its use has been open, continuous, and uninterrupted. It was not possible for the Defendant to obtain registration of such a similar mark in the face of Franco Indian's prior registration. It is also not possible to argue that Corona Remedies would have been unaware of the existence of Franco Indian's mark. This is clear, he submits, from even a cursory look at the Affidavits filed by the Defendants.

20. One of the defences that Corona Remedies takes is to claim that STMIUL or STMIU, as a derivative of the word *STIMULATE*, is common in this segment or industry. The Affidavit in Reply contains a long list of formulations that are said to use STIMU or STIMUL as part of the trade name. There is also a graphic chart annexed to show this. This necessarily means, Mr Jamsandekar says, that Corona Remedies, was aware of the various persons in the market. It nonetheless persisted in making an application for registration. In this context, the Affidavit filed by Corona Remedies in the Trade Mark Registry is revealing. A copy of that Affidavit has been produced on record. There is also a representation by Corona Remedies' Advocate of 5th August 2013 for the label marks STIMULET where it is contended that the registration of STIMULET by Corona Remedies is distinctive. The Affidavit itself[11] claims that Corona Remedies adopted its rival mark after a thorough search in the market for the same or a similar mark. The Affidavit is incorrect in its assertion that the mark has been used extensively, continuously, and uninterruptedly, but in

11 *Pp.* 302 to 303.

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paragraph 8, Corona Remedies said that the mark "identifies and distinguishes its goods". This must be read with the Affidavit in Reply where again Corona Remedies says that its mark is distinctive.

21. As I noted, once Corona Remedies applied for registration, claiming distinctiveness, it was not possible for it to contend the reverse about Franco Indian's mark. If Corona Remedies' mark was distinctive, then the same had to apply to Franco Indian's mark. When that is read along with the submission on maintainability, referred to above, it stands to reason that the rival mark is similar and nearly identical to Franco Indian's mark; and that Franco Indian's mark is, on Corona Remedies' own showing sufficiently distinctive.

22. As to the argument of maintainability of the suit, Mr Jamsandekar first relies on the decision of SJ Kathawalla J in *Ultratech Cement Limited and Another v Shree Balaji Cement Industries and Ors.*[12] In paragraph 11, the argument on behalf of the defendants noted that their mark was registered and therefore an infringement action was not maintainable. The plaintiff before SJ Kathawalla J refuted this submission. The Court held in paragraph 18 that the submission by the defendants was untenable, it now being a settled position of law that an infringement is maintainable even where the Defendant has a registered mark. The Court relied on the decision in *Siyaram Silk Mills Ltd v Shree Siyaram Fab Pvt*

12 Petition No. 369 of 2013 in Suit No. 37 of 2014 decided on 18th January 2014.

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Ltd[13] per SJ Vazifdar, J as he then was. The question was precisely framed in paragraph 2 by SJ Vazifdar J thus:

> "2. The question that falls for consideration is whether the institution of an action for infringement is barred if the defendants' mark is also registered. I have held it is not."

23. It was answered in paragraph 5 where the Court held that the Trade Marks Act 1999 does not forbid the filing of an infringement suit *merely* because the Defendant's mark is also registered. The registration of a mark by the Defendant does not bar the inherent jurisdiction of a Court to try an infringement action. Section 29 provides a defence to an infringement action, but does not bar the filing of the suit itself. There is therefore, no jurisdictional impediment. The *Ultratech* Court also relied on the previous decision in *S Narendra Kumar And Co v Apricot Foods Pvt Ltd*.[14] The contention by the defendant there was that the suit was barred since the Defendant had also registered the rival mark. The defendant relied on Section 28(3), 29(2) and Section 30(2)(e) to contend that a suit for infringement would not lie and was completely barred. The plaintiff submitted that this was misconceived. The Court rejected the submission of the defendant and held that the suit for infringement is not barred *merely* because the Defendant also has a trade mark registration. Section 124 of the Act clearly shows this.

24. For completeness, I reproduce Section 28, 29, 30, and 124 of the Trade Marks Act.

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13 2012 SCC OnLine Bom 48.

14 2013 SCC OnLine Bom 667.

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28. Rights conferred by registration.—

(1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

(2) The exclusive right to the use of a trade mark given under sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.

(3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those persons as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.

29. Infringement of registered trade marks.—

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

(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of

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permitted use, uses in the course of trade, a mark which because of—

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) its identity with the registered trade mark and the identity of the goods or 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.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(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 goods 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.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of

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the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he—

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;

(c) imports or exports goods under the mark; or

(d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising—

(a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or

(b) is detrimental to its distinctive character; or

(c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

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30. Limits on effect of registered trade mark.—

(1) Nothing in section 29 shall be construed as preventing the use of a registered trade mark by any person for the purposes of identifying goods or services as those of the proprietor provided the use—

(a) is in accordance with honest practices in industrial or commercial matters, and

(b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

(2) A registered trade mark is not infringed where—

(a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;

(b) a trade mark is registered subject to any conditions or limitations, the use of the trade mark in any manner in relation to goods to be sold or otherwise traded in, in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place or country outside India or in any other circumstances, to which, having regard to those conditions or limitations, the registration does not extend;

(c) the use by a person of a trade mark—

(i) in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied

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the trade mark and has not subsequently removed or obliterated it, or has at any time expressly or impliedly consented to the use of the trade mark; or

(ii) in relation to services to which the proprietor of such mark or of a registered user conforming to the permitted use has applied the mark, where the purpose and effect of the use of the mark is to indicate, in accordance with the fact, that those services have been performed by the proprietor or a registered user of the mark;

(d) the use of a trade mark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given by registration under this Act or might for the time being be so used, if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trade mark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;

(e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.

(3) Where the goods bearing a registered trade mark are lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that person

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or by a person claiming under or through him is not infringement of a trade mark by reason only of—

(a) the registered trade mark having been assigned by the registered proprietor to some other person, after the acquisition of those goods; or

(b) the goods having been put on the market under the registered trade mark by the proprietor or with his consent.

(4) Sub-section (3) shall not apply where there exists legitimate reasons for the proprietor to oppose further dealings in the goods in particular, where the condition of the goods, has been changed or impaired after they have been put on the market.

124. Stay of proceedings where the validity of registration of the trade mark is questioned, etc.—

(1) Where in any suit for infringement of a trade mark—

(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark, the court trying the suit (hereinafter referred to as the court), shall,—

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the Appellate Board, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue

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regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the Appellate Board for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause (b) (ii) of sub-section (1) within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.

(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the court from making any interlocutory order (including any order granting an injunction, directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit.

(*Emphasis added*)

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25. Mr Khera, in turn, placed reliance on a decision of the Supreme Court in *S Syed Mohidden v P Sulochana Bai*.[15] In particular, Mr Khera drew attention to paragraph 28 of this decision read with paragraph 30.3 to say that Section 28(3) provides that a proprietor of a registered mark cannot sue for infringement if the opponent also has a registered mark. Section 28(3) was interpreted in paragraph 30.3, and it said that the section merely provided that no proprietor could claim rights vis-à-vis the other registered proprietor merely on the basis of registration, but the rights in regard to passing off would remain unaffected.

26. As Mr Jamsandekar points out, *S Syed Mohideen* was actually a contest between the rights of a prior user as against a prior registrant. The finding that Mr Khera relies on would have to be read in that context. The Supreme Court held that the registered proprietor of a trade mark has exclusivity over the mark, but subject to the rights of a prior user of the trade mark in common law. Where there was a conflict between two registered proprietors, the evaluation of better rights in common law was essential to enable the Court to determine whose rights were better and superior in common law and which recognised in the form of registration.

27. The three decisions of the Bombay High Court are not only ones with which I am in the most respectful agreement, but are ones that completely bind me. These squarely take the same point that Mr Khera seeks to advance, viz., that an infringement action will not lie at all against a registered proprietor. The distinction is between

15 (2016) 2 SCC 683.

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maintainability of a suit against a registered proprietor and whether the relief in infringement injunction can be granted That defence has been negatived and cannot be opened again. Even if we apply the *S Syed Mohideen* test of a common law evaluation, a Court of Equity would have to come down on the side of Franco Indian. The reason is plain. Its registration is prior by several years. Its use is prior by several years. Its use is continuous and uninterrupted. Its use and sales are much higher. The Defendant's use is later by at least two decades and, on its own showing, is not without interruption, whatever be the reason. Its sales are lower. If these are the tests to be applied in common law, then clearly Mr Jamsandekar is correct.

28. Mr Khera placed reliance on the decision of the Supreme Court in *Vishnudas Trading v Vazir Sultan Tobacco Co Ltd*[16] to re-emphasize his submission that the two registrations can co-exist because the goods are so very different. There is no possibility of confusion, he claims. Corona Remedies' drug is a Schedule H prescription drug available only against a medical prescription. Both may be in the same class, but their use is for entirely different purposes, and there is no possibility of mistaking one for the other. I believe this submission almost defeats itself on the *Cadilla* principle[17] when one is dealing with pharmaceutical preparations, particularly in highly sensitive situations such as breast cancer or infertility, there should not be the slightest possibility of confusion, mistake, or mistaken identity. That principle overrides other considerations. The other difficulty in accepting Mr Khera's

16 (1997) 4 SCC 201.

17 *Cadila Health Care Ltd v Cadila Pharmaceuticals Ltd*, (2001) 5 SCC 73.

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submission is that *Vazir Sultan* confined itself to the legality of an order for rectification of the Registrar of Trade Marks, and did not address questions of infringement, passing off, or defensive registration. Paragraph 50 of the case makes this very clear. In any case, paragraph 47 tells us that this is not a case of a trader using the mark only in respect of some articles under a broad classification, while the rival is engaged in a much wider spectrum. The Court held that in an appropriate case of honest, concurrent use, and other special circumstances, even similar marks may be allowed to be used subject to such conditions as thought appropriate. The class under the fourth schedule of Trade Marks Act could consist of a number of goods or articles which were separately identifiable, and were not goods of the same description. I do not think this can be said of the two products before me today.

29. Mr Khera relies on the decision of the Supreme Court in *Nandhini Deluxe v Karnataka Cooperative Milk Producers Federation Limited*[18] which is of little avail. The respondent in that case used trade marks in respect of milk and milk products from 1985. The appellant adopted the same mark for different goods in 1989. The appellant had used the mark for 12 or 13 years before it applied for registration. The respondent was only selling milk and milk products. The Appellants sought registration of the said mark in respect of various foodstuffs like meat, fish, poultry and game, meat extracts, vegetables, edible oils and fats, salad dressings, preserves, etc. and it has specifically given up its claim in respect of milk and milk products. The application for registration for milk and milk

18 (2018) 9 SCC 183.

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products was in fact rejected by the Trade Mark Registry. Further, there was the fact that the word 'NANDINI' itself was generic, and was name of a goddess. For these reasons, the Supreme Court held that there was not the slightest possibility of confusion or deception. I find it difficult to extrapolate this, without reasoning, to the present situation before me.

30. Mr Khera then submits that on the basis of *Wander Ltd v Antox India P Ltd*[19] that the claimant in an injunction application in passing off must establish goodwill as on the date of commencement of the user by the rival. The plaintiff, in a passing of action, must establish such prior use. Again, I fail to see the relevance of this submission in this case. Franco Indian's use is clearly prior, as is its registration. There is no question which of the two is the prior user. The factual scenario points only to the Plaintiff as the prior user. Corona Remedies is not able to show that its use is prior to that of Franco Indian. As to goodwill, the volumes of sales and the continuity of use are sufficient to establish that at this prima facie stage. I do not see what more Mr Khera would have Franco Indian do or me demand to show goodwill.

31. The reliance by Mr Khera on *Uniply Industries Ltd v Unicorn Plywood Pvt Ltd And Others*[20] is one that is possibly against him, because that decision proceeded on the footing that the areas of activity of the parties in respect of the goods' mark were indeed identical, and the only question was as to which of the parties was

19 1990 (Supp) SCC 727.

20 (2001) 5 SCC 95.

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the prior user. I do not see how to reconcile this with, one, Mr Khera's submission that the areas of activity are indeed distinct and not identical, and two, its failure to establish any user prior to that of Franco Indian. That is not even Mr Khera's case.

32. I return once more to Section 28(3) and the Supreme Court decision *S Syed Mohideen*. What Section 28(3) says is that, as between two rival registrants of the same mark or similar marks, *mere* registration will not give one exclusivity over the other. The Supreme Court said:

> 32. Thirdly, it is also recognised principle in common law jurisdiction that passing off right is broader remedy than that of infringement. This is due to the reason that the passing off doctrine operates on the general principle that no person is entitled to represent his or her business as business of other person. The said action in deceit is maintainable for diverse reasons other than that of registered rights which are allocated rights under the Act.
>
> 33. Fourthly, it is also a well-settled principle of law in the field of the trade marks that the registration merely recognises the rights which are already pre-existing in common law and does not create any rights.
>
> ……
>
> 33.2. We uphold the said view which has been followed and relied upon by the courts in India over a long time. The said views emanating from the courts in India clearly speak in one voice, which is, that the rights in common law can be acquired by way of use and the registration rights were introduced later which made the rights granted under the law equivalent to the public user of such mark. Thus, we hold that registration is merely a recognition of the rights pre-existing in common law and in case of conflict

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> between the two registered proprietors, the evaluation of the better rights in common law is essential as the common law rights would enable the court to determine whose rights between the two registered proprietors are better and superior in common law which have been recognised in the form of the registration by the Act.
>
> (*Emphasis added*)

33. As to the question of passing off, one must have a look at the rival figures given by the Plaintiff and the Defendant. As I have noted, the Defendant's usage and sales figures are really trivial for the mark in question. This is stated not only in its Affidavit before the Registrar,[21] but also in the statement annexed to the Interim Application.[22] In 2010–11 Corona Remedies' sales were only Rs. 21.54 lakhs. These grew to Rs. 36.35 lakhs in the next year, 2011–12, and there was nothing at all then until 2016–18 when the sales were 18.16 lakhs. In the years that followed, 2017–18, 2018–19, 2019–20 and 2020–21 the sales went to Rs. 339.94 lakhs, Rs. 408.16 lakhs, Rs. 496.39 lakhs and Rs. 346.51 lakhs. The corresponding figures from roughly the same period to Franco Indian are annexed to the Plaint at Exhibit "C" at page 34. In the very first year of comparison 2010–11, when Corona Remedies' sales were Rs.21.54 lakhs, Franco Indian had sales of Rs.630.13 lakhs. There is no interruption, only a constant growth in Franco Indian's sales. By 2019–20, its STIMULIV product sales were Rs.1311.70 lakhs, as opposed to the Rs. 346.51 lakhs claimed by Corona Remedies. Franco Indian is three or four times higher in terms of sales. At the prima facie stage,

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21 Interim Application *p.*303.

22 *P.*336.

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one cannot look for more in terms of a facial indicator of goodwill and reputation.

34. Thus, I have no doubt that the injunction Franco Indian seeks must be granted.

35. I turn now to Corona Remedies' Interim Application No. 374 of 2021. It is difficult to understand the basis of this Interim Application. First of all, there is the argument for maintainability which I have rejected. Then, Corona Remedies says that the Plaintiff has 'suppressed' the fact that its STIMULIV products is only meant as a liver stimulant. There is no such suppression. There is an allegation about non-user in one certificate, but that was an error that has since been corrected. It is impossible to accept the submission, given the invoices produced now, that there is no evidence of use of the marks since 1975. The entire application is misconceived and proceeds on the merits of arguments that have been advanced in Franco Indian's Interim Application. There is no substance to Corona Remedies' Interim Application. The prayer seeks the rejection of a Plaint "on account of the Plaintiff's fraud and material suppression and concealment of material facts". There is no such fraud, material suppression, or concealment of material facts. Accordingly, Interim Application No. 374 of 2021 is dismissed.

36. There will therefore be an injunction against Corona Remedies from using the mark STIMULET in relation to pharmaceutical products.

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37. In the facts and circumstances of the case, there will be no order as to costs.

38. This order will be digitally signed by the Private Secretary of this Court. All concerned will act on production of a digitally signed copy of this order.

(G. S. PATEL, J)

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