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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Reserved on: 14 August 2023
Pronounced on: 16 August 2023

+ CS(COMM) 283/2023, I.A. 8800/2023

SUN PHARMA LABORATORIES LTD. Plaintiff

Through: Mr. S. Ganesh and Mr. Rajshekhar Rao, Senior Advocates, with Mr. Sachin Gupta, Ms. Gaurangi Sharma, Mr. Manan Mandal and Ms. Meher A. Jaitley, Advocates.

versus

FINECURE PHARMACEUTICALS LTD & ORS ... Defendants

Through: Mr. J. Sai Deepak, Ms. Tanvi Bhatnagar, Ms. Shilpi Sinha, Ms. Bindra Rana and Mr. Abhishek Avadhani, Advocates.

CORAM:
HON'BLE MR. JUSTICE C. HARI SHANKAR

J U D G M E N T

16.08.2023

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Facts

The Plaintiff

1. The plaintiff claims to be the largest pharmaceutical company in India in 11 specialties, and the fourth largest Generic Pharmaceutical Company in the world, with a global turnover of ₹ 33,139 crores. Among other products, the plaintiff manufactures and



markets pantoprazole, a well-known anti-acidity drug, under the brand name PANTOCID, in various variants, stand alone as well as in combination with other drugs. Where pantoprazole is to be found in combination with other drugs, appropriate suffixes attach to PANTOCID, such as PANTOCID-DSR, PANTOCID-L, and the like. The plaintiff holds registrations for the marks PANTOCID, PANTOCID-DSR, PANTOCID-IV and PANTOCID-L, under the Trade Marks Act, 1999, w.e.f. 19 February 1998, 30 August 2020, 8 September 2020 and 1 May 2020, respectively. Sales of the PANTOCID range of drugs have resulted in earnings to the plaintiff, during the years 2020-2021 and 2021-2022, of ₹ 386.8 crores and ₹ 513.63 crores. Para 11 of the plaint asserts that “the trademark PANTOCID was coined by the plaintiff’s predecessor in the year 1998 and has been in use since the year 1999.”

2. The plaintiff has asserted, and succeeded in defending, its PANTOCID trademark from infringement in several proceedings. 18 such orders have been placed on record with the present plaint. However, save and except for one order, they are all orders passed at the *ex parte* ad interim stage, without contest from the defendants against whom the orders came to be passed.

3. The plaintiff claims to have come across the defendants’ product PANTOPACID, also containing pantoprazole, in April 2023. The averment in this regard, as contained in the plaint, reads thus:

“KNOWLEDGE

21. The Plaintiff in the 3rd week of April 2023 came across the Defendant’s medicine under the mark PANTOPACID SR being



sold at Delhi and on third party e-commerce interactive websites, which is deceptively similar to the Plaintiff's medicine under the trademark PANTOCID and PANTOCID DSR."

Elsewhere in the plaint, however, the plaintiff avers:

"It may be noted that the Defendant No. 3 has filed one application for registration of the impugned trademark on PANTOPACID (device) under application no. 1805856 dated 13.04.2009 in class 5 for goods, namely "pharmaceutical and medical preparation included in class-05", claiming use since 15.06.2007. The said application is currently opposed. The application for registration was opposed by the Plaintiff vide opposition no. 770019 dated 28.10.2010. The Defendant No. 3 filed its counter-statement on 06.06.2011 claiming continuous use since their date of adoption. The Plaintiff filed its affidavit in evidence on 16.01.2012 along with documentary evidence in support of opposition specifically denying the Defendants alleged claim of use and further calling upon the to prove use by way of clear documentary evidence. The Defendant failed to file any evidence. The said opposition proceedings is currently pending and in all probability will be decided in favour of the Plaintiff and against the Defendant in view of the fact that the Defendant has failed to prove any use."

4. The plaintiff alleges that the defendants' mark PANTOPACID is merely a convenient corruption of the plaintiff's mark PANTOCID and is deceptively similar to it, the only difference being the intervening "PA" between "PANTO" and "CID". The defendants, it is alleged, have created a deliberately confusing mark for their product, so that an unwary customer would end up mistaking the defendants' product for the plaintiff's. The mark PANTOPACID is alleged to be visually, phonetically and structurally similar to PANTOCID. Thus, alleges the plaintiff, the defendants have, by use of the mark PANTOPACID, infringed the plaintiff's registered PANTOCID marks within the meaning of Section 29(2)(b)¹ of the

¹ (2) 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 because of—



Trade Marks Act. The plaintiff is, therefore, entitled to an injunction and, therefore, seeks one from this Court, permanently restraining the defendants from using the mark PANTOPACID, or any other variant which is deceptively similar to the plaintiff's PANTOCID marks.

Written Statement

5. The Defendants claim to have adopted the mark PANTOPACID in 2007 for pantoprazole, and to have been using it since 15 June 2007. It is claimed that the mark PANTOPACID was never intended to be an imitation of the plaintiff's mark PANTOCID, but was, rather, a portmanteau of "PANTO", "P" and "ACID", with "PANTO" referring to the Active Pharmaceutical Ingredient (API) of the drug, pantoprazole, "P" indicating that the drug was a Proton Pump Inhibitor (PPI), thereby reflecting its mode of action and "ACID" indicating that the drug treated acidity. It is acknowledged, in the written statement, that Defendant 3 had applied for registration of its PANTOPACID mark, under the Trade Marks Act, on 13 April 2009, claiming user since 15 June 2007, in Class 5 of the Nice Classification applicable to trade marks, but that, owing to notice of opposition filed by the plaintiff on 20 October 2010 opposing the application, to which the Defendant 3 filed its counter statement on 30

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- (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.



June 2011, the Defendant 3 has not been able to secure registration till date.

6. The written statement contests the case sought to be set up in the plaint on various fronts.

7. It is first alleged that the plaint suffers from delay, laches and acquiescence. The defendants have been using the impugned mark since 2007. Notice of Opposition opposing Defendant 3's application seeking registration of the mark was filed by the plaintiff in October 2010. The plaintiff has, thereafter, waited for 13 years before approaching this Court in 2023. The delay in approaching the Court is so inordinate, alleges the written statement, that the plaintiff stands, thereby, disentitled to any injunctive relief.

8. The written statement also alleges that the registration of the PANTOCID mark in favour of the plaintiff is liable to be revoked citing, for the said purpose, an earlier application for registration for the same mark, filed by Takeda GMBH ("Takeda" hereinafter), a German company, with the Indian Trademarks Registry. The averments in this connection, as contained in paras J and K of the Preliminary Objections raised in the written statement read thus:

"J. It is pertinent to mention here that prior to the Plaintiff's earliest application no. 791979 dated February 19, 1998, for the disputed mark 'PANTOCID' in class 5 filed on ITU basis, third party's (German Company-Takeda GMBH) application no. 756590 dated July 07, 1997, for the identical mark 'PANTOCID' in class 5 for identical pharmaceutical preparations for the treatment of gastro-intestinal diseases, was already pending, which was registered on May 20, 2005. Therefore, the Plaintiff has not



coined and invented or even bonafidely adopted the disputed mark ‘PANTOCID’, as claimed in the suit, and is not the proprietor of the mark PANTOCID within the meaning of Section 18(1) of the Trade Marks Act. The Plaintiff’s Registration was sought on misrepresentation and is liable to be revoked.

K. It is also pertinent to mention that the Plaintiff’s aforementioned application no. 791979 dated February 19, 1998, for the disputed mark ‘PANTOCID’ was opposed by the prior owner German Company and was granted registration only in February 2012, when the opposition was dismissed for not filing evidence by the opponent in support of the Notice of Opposition.”

9. The written statement further disputes the plaintiff’s entitlement to claim monopoly over the earlier “PANTO” of the PANTOCID mark, as it is part of the INN/IUPAC name of the API in the product, namely pantoprazole. Trade mark monopoly, it is contended, cannot be claimed by a trade mark which merely replicates, or abbreviates, the name of the concerned pharmaceutical ingredient. The highest that the plaintiff could seek to urge, by way of infringement would, therefore, according to the written statement, be with respect to the suffix “OCID”. Such a claim, though hit by Section 17² of the Trade Marks Act, would additionally be unsustainable as “OCID” already stands registered as a trademark in favour of Zydus Healthcare Ltd (“Zydus”, hereinafter). The plaintiff could not, therefore, claim to have coined even the latter “OCID” part of its mark PANTOCID.

² 17. **Effect of registration of parts of a mark. –**

- (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,

the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered.



10. Besides, contends the written statement, “PANTO” is used as a prefix in as many as 371 registered trademarks for pharmaceutical preparations. The written statement enlists the said marks and also provides photographs of actual packs containing the drugs in several such cases.

11. Pantoprazole, points out the written statement, is a Schedule H drug³, and can be dispensed only on the prescription of a registered medical practitioner. Registered medical practitioners are supposed to know their job and would, therefore, be able to distinguish between PANTOCID and PANTOPACID. There is, therefore, little chance of confusion. Besides, there is a wide variance in the price at which the plaintiff and the defendants dispense their products, with PANTOPACID being much more modestly priced as compared to PANTOCID.

12. The defendants further allege, in the written statement, that the plaint is liable to be thrown out as vitiated by concealment, suppression and the statement. There is conspicuous concealment, in the plaint, of the fact that, after Defendant 3 had applied for registration of its PANTOPACID mark in 2009, the plaintiff had, on 16 September 2010, addressed a legal notice to the Defendant 3 to withdraw its application. This fact, it is submitted, is studiously suppressed and, instead, it is sought to be averred that the plaintiff came to know of the defendants’ PANTOPACID only in the third week of April 2023, thereby claiming that the cause of action, for

³ enlisted in Schedule H to the Drugs and Cosmetics Act, _____



instituting the suit, arose on that date. On the defendants pointing out this fact in Court on 8 May 2023, the plaintiff sought to place, on record, the legal notice dated 16 September 2010, by way of an application filed on 12 May 2023, in which it was sought to be averred that the legal notice had, by inadvertence, not been filed. Even then, submit the defendants, the plaintiff misstated facts, by alleging that Defendant 3 had failed to respond to the legal notice, which was also untrue.

13. Equally untrue, alleges the written statement, is the averment, in the plaint, that PANTOPACID did not figure in any medical journals. It is asserted that, in several journals, since 2007, PANTOCID and PANTOPACID have shared space.

14. On the aspect of misstatement, the written statement further alleges that, in order to support its claim of user of the PANTOCID mark since 1999, the plaintiff has relied on invoices which are, *ex facie*, fabricated and unworthy of reliance. It is pointed out that, in all invoices covering the period till 2010, the consignee/buyer is one Aditya Medisales Ltd. (Hereinafter, Aditya Medisales) who, in each invoice, shares address, and building space, with the plaintiff, irrespective of whether the invoice is issued in Kolkata, Chennai, Bhopal or anywhere else. Yet, transportation of the goods covered by the invoices issued, in the invoices, have been effected “by road”. Such invoices, it is asserted, cannot be trusted or believed. In fact, these transactions also constituted the basis of a SEBI⁴ investigation,

⁴ Securities Exchange Board of India



against the plaintiff, which the plaintiff had ultimately to settle on a payment of approximately ₹ 3 crores.

15. Yet another ground on which the invoices placed on record by the plaintiff have been sought to be discredited by the defendants is that, in several of them, issued prior to 2005, there is a reference to Value Added Tax (VAT), though VAT was introduced in India only in 2005, and a TIN⁵, required for payment of VAT, was issued to the plaintiff only on 1 April 2006.

16. Thus, contends the written statement, the plaintiff's case has no legs to stand on, and, to say the least, no injunctive interlocutory relief can be granted to the plaintiff.

Rejoinder by plaintiff to present IA

17. The plaintiff filed, with the suit, the present application IA 8800/2023, under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (CPC), seeking interlocutory injunctive reliefs. Pleadings in the IA have been completed, and this judgment proceeds to dispose of the IA.

18. The IA, and the reply by the defendants thereto, basically replicate the plaint and the written statement. Though there is no formal replication filed in the suit as yet, the plaintiff has filed a detailed rejoinder to the defendants' reply to the present application,

⁵ Taxpayer Identification Number



in which the allegations contained in the reply have been sought to be traversed.

19. The application for registration of PANTOCID, filed by Takeda, it is submitted, is entirely irrelevant to the dispute. Takeda's application was filed on "proposed to be used" basis, and Takeda never actually used the mark PANTOCID. Besides, even after the mark was granted in favour of Takeda, the grant was cancelled on the plaintiff's rectification application. As on date, therefore, the plaintiff is the sole registered user of the mark PANTOCID, with registration effective from 1998. In any event, submits the plaintiff, the defendants cannot seek to carry Takeda's brief, and the aggrieved party, if any, would be Takeda, not the defendant. So long as the plaintiff is able to demonstrate a superior right to the mark PANTOCID *via-a-vis* the defendants, the plaintiff is entitled to an injunction.

20. The registration of the mark "OCID" in favour of Zydus is, it is submitted, totally irrelevant.

21. The allegation that the plaintiff had, in the plaint, misstated that the defendants' PANTOPACID was not reflected in any medical journals, is also disputed. The journals to which the defendants refer in the written statement are, according to the rejoinder, obscure journals, and the plaintiff could not be expected to have knowledge thereof. The ORG IMS Research journal is, according to the plaintiff,



the most authoritative journal which reflects all new products, and PANTOPACID finds no place therein.

22. The various examples of drugs sold under brand names starting with “PANTO”, submits the plaintiff, can make no difference, as none of the names is deceptively similar to PANTOCID. Besides, the mere fact that, on the Register of Trade Marks, other marks starting with “PANTO” may have been registered, cannot make out a case of the prefix “PANTO” having become common to the trade. The plaintiff, it is submitted, cannot pursue every infringer. The plaintiff also disputes the defendants’ contention that, as pantoprazole is a Schedule H drug, there is no chance of confusion between PANTOCID and PANTOPACID.

23. Apropos the legal notice dated 16 September 2010, the plaintiff submits that it was not filed with the plaintiff owing to oversight. Nonetheless, the plaintiff has disclosed that Defendant 3 had applied for registration of PANTOPACID as a device mark on 13 April 2009 in Class 5, claiming user since 15 June 2007. The plaintiff had also placed on record the counter statement of Defendant 3, in response to the opposition of the plaintiff to the defendants’ PANTOPACID mark, as well as the affidavit-in-evidence filed by the plaintiff in support of its opposition, which refers to the legal notice dated 16 September 2010. The allegation of concealment and suppression of fact is, therefore, seriously disputed by the plaintiff.



24. The plaintiff further submits that it cannot be said to have acquiesced in the use, by the defendant, of PANTOPACID, as the plaintiff opposed the application of Defendant 3, seeking registration of the said mark, at the first available opportunity. Thereafter, if the defendants continued to use the mark, they did so at their own peril, and no equities could result in favour of the defendants as a result of such use.

25. The defendants' plea that the prefix "PANTO" is common to the trade is, it is submitted, misguided, as such a plea cannot be raised merely by referring to various registered marks which start with "PANTO". Besides, the plaintiff could not be expected to pursue every infringer.

Affidavit of the plaintiff, dated 15 July 2023

26. Consequent to directions issued by this Court on 5 July 2023, the defendants filed an affidavit, dated 15 July 2023, explaining the peculiar feature, noted in para 14 *supra*, of all invoices till 2010 having been issued to Aditya Medisales, which shared the same address as the plaintiff, irrespective of the town, or city, where the plaintiff was located. It is stated, *inter alia*, in the said affidavit, that Aditya Medisales is an independent company, incorporated on 16 October 1990, with a registered office in Vadodara and administrative office at Vile Parle, Mumbai. It has been filing independent tax returns, and is registered with the Sales Tax and VAT authorities in 25 states in India. Its returns have also been assessed under Section



143(3) of the Income Tax Act, 1961. It has its own Board of Directors, staff and financial resources. Its accounts are audited by independent statutory auditors. It has its independent TAN⁶, and has been deducting TDS on payments made by it, which is duly credited to the Government account. The location of Aditya Medisales adjacent to the supplier – in this case, the plaintiff – is only for the purposes of synergy, reduction of time, operational efficiency and cost reduction. It is further stated that goods were purchased by Aditya Medisales from the plaintiff and received at its various Cost and Freight (C & F) locations, from the plaintiff's warehouses. The C & F agents sell the goods to the stockists. Sale invoices are raised in the name of the stockists by Aditya Medisales, and dispatches are made by Aditya Medisales through local transport, hand delivery or by courier. The affidavit also annexes invoices issued by Aditya Medisales in favour of the stockists.

27. There are further assertions in the affidavit, but they are not of particular relevance to the controversy at hand.

28. The defendants have not filed any formal response to the affidavit, and Mr. Sai Deepak did not seek to traverse the correctness of the facts stated therein, at least at this stage.

29. Having thus set out the rival stands, as they emanate from the pleadings in writing filed before this Court, I proceed to allude to the rival submissions made at the bar by learned Counsel. The plaintiff

⁶ Tax Deduction and Collection Account Number



was represented by Mr. S. Ganesh and Mr. Rajshekhar Rao, learned Senior Counsel and Mr. Sachin Gupta, learned Counsel and the defendants were represented, as already noted, by Mr. Sai Deepak.

Submissions made at the Bar

Plaintiff's submissions

Opening arguments by Mr. Sachin Gupta

30. Having broadly reiterated the averments in the plaint, Mr. Sachin Gupta points out that, while PANTOCID was registered in favour of the plaintiff w.e.f. 19 February 1998, and was used by the plaintiff w.e.f. 1999, in support of which several invoices had been placed on record with the plaint, the Defendant 3 applied for registration of the impugned PANTOPACID mark only in 2009, claiming user since June 2007. The application was opposed by the plaintiff, and, owing to failure on the part of the Defendant 3 to prosecute the application, stands deemed abandoned under Rule 51⁷ of the Trade Marks Rules, 2002.

⁷ **51. Evidence in support of application. –**

(1) Within two months or within such further period not exceeding one month in the aggregate thereafter as the Registrar may on request allow, on the receipt by the applicant of the copies of affidavits in support of opposition or of the intimation that the opponent does not desire to adduce any evidence in support of his opposition, the applicant shall leave with the Registrar such evidence by way of affidavit as he desires to adduce in support of his application and shall deliver to the opponent copies thereof or shall intimate to the Registrar and the opponent that he does not desire to adduce any evidence but intends to rely on the facts stated in the counterstatement and on the evidence already left by him in connection with the application in question. In case the applicant relies on any evidence already left by him in connection with the application, he shall deliver to the opponent copies thereof.

(2) An application for the extension of the period of one month mentioned in sub-rule (1) shall be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein.



Submissions of Mr. Sai Deepak

31. Besides reiterating the submissions advanced in the written statement, Mr. Sai Deepak submits that the plaintiff has not approached the Court with clean hands and is, therefore, *ex facie* disentitled to any relief, especially as this is a commercial suit. There is complete suppression of the proceedings relating to Takeda and the fact that, prior to the plaintiff, Takeda had already applied for registration of PANTOCID and was, in fact, holding a valid registration for PANTOCID on the date when the plaintiff was granted registration for the same mark. In this context, Mr. Sai Deepak submits that the plaintiff's assertion, in para 11 of the plaint, that the mark PANTOCID was coined by the plaintiff is obviously false, as the mark was, prior to the plaintiff, devised by Takeda.

32. Mr. Sai Deepak submits that, therefore, *vis-à-vis* Takeda, the plaintiff is itself an infringer of the mark PANTOCID. An infringer, he submits, cannot sue for infringement.

33. Additionally, Mr. Sai Deepak emphasises the highly suspect nature of the invoices placed on record by the plaintiff. He submits that, prior to 2011, all invoices reflect sales to Aditya Medisales, which are inherently suspicious transactions. The plaint is completely silent as to how, in every town and in every city, Aditya Medisales was located at the same address as the plaintiff. Mr. Sai Deepak also takes serious exception to the reference to VAT, in invoices issued



prior to introduction of the VAT in India. Developing on this argument, Mr. Sai Deepak also questions the plaintiff's claim to priority of user *vis-à-vis* the defendants, as the defendants claim – and have also established – user, by them, of the PANTOPACID mark from December 2007, and, prior to that date, every invoice that the plaintiff has placed on record reflects sales to Aditya Medisales. There is no invoice reflecting a sale to an independent third party, placed on record by the plaintiff, indicating use of PANTOCID as a mark prior to December 2007. The position that emerges is, therefore, that (i) PANTOCID stands registered in the plaintiff's favour w.e.f. 1998, (ii) the defendants claim user of PANTOPACID as a mark from June 2007, and have placed, on record, invoices reflecting such user at least from December 2007 and (iii) if the invoices filed by the plaintiff reflecting sales to Aditya Medisales are to be ignored, the earliest user of PANTOCID by the plaintiff, for which evidence is available, is of 2011. PANTOPACID and PANTOCID have, he submits, being co-existing even on the pages of drug journals since 2007 and, at this stage of time, the balance of convenience would certainly not be in favour of interdicting further use, by the defendant, of the mark PANTOPACID. Besides, the two marks having coexisted for 16 years as on date, it could not be alleged that the use, by the defendant, of PANTOPACID, was likely to create confusion in the market.

34. The plaintiff has also suppressed the legal notice dated 16 September 2010 addressed by the plaintiff to the defendants and has falsely stated, in para 32 of the plaint which deals with the arising of the cause of action, that the cause of action for filing the suit arose, in



the plaintiff's favour, "in the third week of April 2023 when the Plaintiff came across the Defendant's medicine under the mark PANTOPACID SR being sold at Delhi and on third party ecommerce interactive website". On this aspect being brought to the attention of the plaintiff during the course of arguments before this Court, the plaintiff, in its rejoinder to the reply filed by the defendants to the present application, sought to underplay the issue by merely averring that the letter dated 16 September 2010 "inadvertently could not be placed on record due to oversight".

35. Mr. Sai Deepak also reiterates the contention that the "PANTO" prefix is common to the trade and, in this context, has invited the attention of the Court to the search report generated from the website of the Trade Mark Registry, which indicates a large number of marks, for pharmaceutical preparations, which start with "PANTO". He also points out that, in the written statement, he has specifically adverted to physical sales of several such products in the market, so that the contention of the plaintiff that the mere presence of similar marks on the Register of Trade Marks does not make out a case of the mark being common to the trade, cannot hold water. For the same reason, he submits that the ratio of the decision of the Division Bench of this Court in *Pankaj Goel v. Dabur India Ltd.*⁸ would also not apply.

36. Once "PANTO" was recognised as common to the trade when used as a prefix, and "CID" merely refers to the acidity-regulating nature of the drug, Mr. Sai Deepak submits that the mark PANTOCID

⁸ 2008 (38) PTC 49



loses all distinctiveness. The plaintiff cannot, therefore, injunct the defendants from using the impugned PANTOPACID mark. He reiterates that “PANTOPACID” is a portmanteau of “PANTO”, referring to pantoprazole, “P” indicating that the drug acts as a proton-pump inhibitor and “ACID” to denote its antacid properties.

37. In support of his submissions, Mr. Sai Deepak relies on the judgment of the Division Bench of this Court in *Schering Corporation v. Alkem Laboratories Ltd*⁹. With reference to the various orders, protecting the plaintiff’s PANTOCID mark, placed on record with the plaint, Mr. Sai Deepak submits that they are all either uncontested orders or *ex parte* ad interim decisions.

38. Mr. Sai Deepak submits that PANTOPACID has, over the years, acquired a formidable reputation and reach the market and that PANTOPACID, with its variations, are published in several drug-related magazines and journals, of which the written statement provides a tabular representation.

39. Mr. Sai Deepak places reliance on the Division Bench decisions of this Court in *Prem Singh v. Ceeam Auto Industries*¹⁰, *Sun Pharmaceutical Laboratories Ltd v. Hetero Healthcare Ltd*¹¹ and *Capital Plastic Industries v. Kappy Plastic Industries*¹², as well as the decisions of learned Single Judges in *AstraZeneca UK Ltd. v. Orchid*

⁹ 165 (2009) DLT 474 (DB)

¹⁰ AIR 1990 Del 233

¹¹ (2022) 92 PTC 536 (DB)

¹² 35 (1988) DLT 202 (DB)



*Chemicals & Pharmaceuticals Ltd.*¹³, *Modi-Mundipharma Pvt. Ltd. v. Preet International Pvt. Ltd.*¹⁴, *Three-N-Products Pvt. Ltd. v. Kairali Exports*¹⁵ and *Elder Projects Ltd v. Elder Pharmacia LLP*¹⁶ .

Submissions, in reply, by Mr. S. Ganesh and Mr. Rajshekhar Rao

40. Mr. Ganesh, learned Senior Counsel for the plaintiff, commences his submissions by seeking to allay the apprehensions regarding the veracity and validity of the invoices filed by the plaintiff and reflecting sales from the plaintiff to Aditya Medisales, by referring to the affidavit dated 15 July 2023 *supra*, which, he submits, indicates that the transactions between the plaintiff and Aditya Medisales were at arms' length and in the course of their regular business activities. Insofar as the reflection, in some of the invoices, of VAT, before VAT was introduced, Mr. Ganesh submits that, in fact, what was shown as VAT was DST (i.e. Delhi Sales Tax), as could be asserted by referring to the rates of tax reflected in the invoices, which were the rates of DST applicable at that time. In any event, he submits that these invoices pertain to transactions totalling nearly ₹ 67,000/-. There is no reason for his client, as the foremost pharmaceutical company in India, to resort to fabrication of invoices totalling a measly amount of ₹ 67,000/-.

41. Mr. Ganesh emphatically contends that 18 orders having already been passed, protecting the plaintiff's PANTOCID mark, this

¹³ (2006) 32 PTC 733

¹⁴ 2023 SCC OnLine Del 1773

¹⁵ 246 (2018) DLT 691

¹⁶ 259 (2019) DLT 485



Court, at an interlocutory stage, should desist from deciding otherwise.

42. Mr. Sai Deepak’s submission that “PANTO”, as a prefix in pharmaceutical preparations containing pantoprazole is common to the trade is, submits Mr. Ganesh, without substance. The rival marks, he points out, have to be considered as wholes, without dissecting them into individual parts. Thus considered, Mr. Ganesh submits that there can be no manner of doubt that PANTOPACID is deceptively similar to PANTOCID.

43. Mr. Ganesh further submits that the defendants cannot claim the benefit of Section 34¹⁷ of the Trade Marks Act, as they have no claim to user prior to 1998, with effect from which date the plaintiff holds a valid and subsisting registration for the mark PANTOCID. Once the plaintiff is the proprietor of such a valid registration, Mr. Ganesh submits that the coinage of the mark PANTOCID by Takeda, or by anyone else, ceases to have relevance. Mr. Ganesh has, in this context, drawn my attention to the “Reply to Preliminary Objections”, contained in the rejoinder filed by the plaintiff to the defendants’ reply to the present application in which, apropos Takeda’s registration, and its effect on the present *lis*, it is averred thus:

¹⁷ **34. Saving for vested rights.** – Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods or services in relation to which that person or a predecessor in title of his has continuously used that trade mark from a date prior –

(a) to the use of the first-mentioned trade mark in relation to those goods or services be the proprietor or a predecessor in title of his; or

(b) to the date of registration of the first-mentioned trade mark in respect of those goods or services in the name of the proprietor of a predecessor in title of his;

whichever is the earlier, and the Registrar shall not refuse (on such use being proved) to register the second mentioned trade mark by reason only of the registration of the first-mentioned trade mark.



“B. WRONG TO SAY THAT GERMAN ENTITY HAS BETTER RIGHTS THAN THE PLAINTIFFS

The Defendants have alleged that prior to the Plaintiff’s earliest registration for the mark PANTOCID under no. 791979 dt. 19.02.1998 in class 5, it was a German Company, namely Takeda GMBH who obtained registration under no. 756590 dated 7.07.1997. It is most respectfully submitted that the application filed by Takeda GMBH was on ‘proposed to be used’ basis, and the mark was never put to use. A cancellation was filed by the Plaintiff against the said registration, which was allowed and the registration in favour of Takeda GMBH was cancelled. The Plaintiff has registration since 1998 and has been using the mark since 1999. The Plaintiff alone is the proprietor of the mark ‘PANTOCID’.

It is most respectfully submitted that the present suit is a matter between the instant Plaintiff and the Defendants and not Takeda GMBH. It is not for a third person and/or the present Defendants to take up the issue for a non-party to the suit, Takeda GMBH, and claim protection on that score. It is not the case of the Defendants that any action has been initiated against the Plaintiff by Takeda GMBH, in whose name the said trademark once stood registered.

The defence of *jus tertii* arises when Defendants raises the right of a third party. The Defence of *jus tertii* to defeat the claim of the Plaintiff is not sustainable in law. It may be noted that the Defendant is not in privity with, nor is the successor in interest to any rights of Takeda GMBH. Only if the Defendants are successful in proving privity which Takeda GMBH, would that Defendants be able to claim some entitlement to the priority rights of Takeda GMBH.

It is most respectfully submitted that so long as Plaintiff proves rights superior to that of the Defendants that shall be sufficient to claim proprietorship over the mark. The Defendants can’t act as a surrogate advocate for Takeda GMBH’s rights. By raising *jus tertii*, the Defendants are merely trying to divert attention from its own alleged infringement and become a vicarious avenger of another’s purported rights against Plaintiff.”

44. Mr. Ganesh submits that, though the Trade Marks Act contains various provisions under which a registered mark could be assailed, and even taken off the register, the defendants have not invoked any



of them. There is, therefore, presently no challenge to the plaintiff's registration in the PANTOCID mark. At the Order XXXIX stage, therefore, the plaintiff is entitled to a presumption of validity of the mark.

45. Mr. Ganesh seriously questions the correctness of Mr. Sai Deepak's submission that the existence of an earlier application, by Takeda, seeking registration of the PANTOCID mark, *ipso facto* renders the plaintiff's registration vulnerable to invalidity under Section 11(1)¹⁸ of the Trade Marks Act. He submits that, even if a mark, of which registration is sought, is identical or deceptively similar to a mark in respect of which an earlier application is pending with the Registry of Trade Marks, the application for registration of the former mark does not *ipso facto* become liable to rejection and, in this context, refers to Section 11(4)¹⁹. Seen in conjunction with Section 12²⁰, Mr. Ganesh submits that the Registrar has the discretion, in an appropriate case and in "special circumstances", to register a mark which may be identical or similar to an "earlier mark". The later mark does not, therefore, become a nullity, as Mr. Sai Deepak would seek to contend in the present case. In fact, submits Mr. Ganesh,

¹⁸ 11. **Relative grounds for refusal of registration.** –

- (1) Save as provided in Section 12, a trade mark shall not be registered if, because of –
- (a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or
 - (b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

¹⁹ (4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances under Section 12.

²⁰ 12. **Registration in the case of honest concurrent use, etc.** – In the case of honest concurrent use or of other special circumstances which in the opinion of the Registrar, make it proper so to do, he may permit the registration by more than one proprietor of the trade marks which are identical or similar (whether any such trade mark is already registered or not) in respect of the same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think fit to impose.



Atlanta Pharma A.G., the successor-in-interest to Takeda, had filed Opposition No. BOM-95712 to Application 791979 of the plaintiff, seeking to register the mark PANTOCID, and the Senior Examiner of Trade Marks had, *vide* the following Order dated 27 December 2010, rejected the opposition and directed Application 791979 to proceed to registration:

“ORDER

The fact of this matter is as under:

The Applicants M/s. Sun Pharmaceutical Industries Ltd, F.P.145, Ram Mandir Road, Vile Parle (East), Bombay 400 057 filed an application to register the trademark PANTOCID on 19/2/1998 with the user period as ‘proposed to be used’ under No. 791979 in Class 5 for the goods “Medicinal & Pharmaceutical preparations & substances in Class 5” The same was advertised in Trade Marks Journal No.1287 (Supplementary) dated 18/1/2003.

The Opponents M/s. Atlanta Pharma A.G. of Byk-Gulden-Strasse 2, D.78403, Konstanz, Germany filed an Opposition. The Opponents took objection under Section 9, 11(a), 11(e), 12(2) and 18(1) of Trade and Merchandise Marks Act, 1958.

The Opponents mark is also PANTOCID under Regd.T.M.No.756590 in Class 5 for “pharmaceutical preparations for the treatment of gastro-intestinal diseases”. At present the status of the Opponents trade mark No.756590 in Class 5 is rectification find. The rectification is filed by the Applicants in this opposition matter which is M/s Sun Pharmaceutical Industries Ltd.

First I have to compare both the trade mark applications with each other. The Opponents’ trade mark PANTOCID under no.756590 in Class 5 is filed for “pharmaceutical preparations for the treatment of gastro-intestinal disease” with the user as ‘proposed to be used’ which was filed on 7th July, 1997. The Applicants filed their mark PANTOCID under No.791979 in Class 5 for “medicinal and pharmaceutical preparations and substances” on 19th February, 1998 which the user as ‘proposed to be used’.

While comparing these two trade mark applications, the class of both the applications is same, the goods are also same except in the



case of Opponents' mark, they have stated particular object of their medicine i.e. for treatment of gastro-intestinal whereas the Applicant's goods are in general as pharmaceutical preparations and substances.

The Opponents filed their trade mark application on 7/7/1997 with the user as 'proposed to be used' whereas the Applicants filed their trade mark application on 19/2/1998. The user of both the applications are same i.e. proposed to be used.

It is a fact that the Applicant's mark is totally identical with that of the Opponents mark and for the same class of goods. Therefore all the objections taken by the Opponents are applicable, but the Opponents have not filed their evidence under Rule 50, hence they failed to prove their use prior to the Applicants.

At the time of argument, the Applicants informed that they were not aware of the mark of the Opponents already being in the market as when they took to the market search, the Opponents' mark was not found in the list of market search. Further Applicants argued that no proof of confusion was proved by the Opponents. The Opponents have not taken passing off action against the Applicants nor infringement action and the mark is not used by the Opponents. The applicants have already filed the rectification proceedings against the Opponents' Regd. T.M.No.756590 in Class 5.

The opponents argued at the time of hearing that the Section 12(3) of the old Act which is now under Section 12 is not applicable to the Applicants, as the Applicants' mark is proposed to be used. But in this matter Opponents mark is also proposed to be used and the Opponents are the earlier applicants for registration, but the Opponents have not proved their user.

Going through the facts as stated above, I had to use my discretionary power which is available to me under Section 18(4) of the Trade and Merchandise Marks Act, 1958 and also as per the present Act of 1999, I am of the opinion that even though the objections taken by the Opponents are acceptable, I have to give justice to the Applicants. The opponents have not taken any objection at the time of hearing on the arguments of the Applicants that the market is not being used by the Opponents, no passing off action nor infringement action is taken by the Opponents against the Applicants. In the circumstances, I am in favour of the Applicants.

So to sum up, Opposition No.BOM-95712 is dismissed and the Application no.791979 in Class 5 is accepted and to be proceeded



to registration as per the procedure. The Opponents shall pay the Applicants a sum of Rs. 1000/- (Rupees One Thousand only) as cost of the present proceedings.”

This Order, submits Mr. Ganesh, has never been challenged and has attained finality. Thus, PANTOCID having been registered in favour of the plaintiff by the Registrar after due application of mind, and no statutory procedure, whereunder the registration would be sought to be unseated having been invoked by the defendants till date, Mr. Ganesh submits that PANTOCID, as the plaintiffs registered trademark, is entitled to the presumption of validity conferred by Section 31(1) of the Trade Marks Act.

46. Mr. Ganesh also invokes Rule 50(4)²¹ and Rule 53(1)²² of the Trade Marks Rules, 2017.

47. Returning to Section 11, Mr. Ganesh submits that Section 11(1)(a) is subject to Section 12. Even otherwise, Section 11(1)(a) would not apply, as Takeda’s goods had never entered the market, so that there could be no likelihood of confusion by the public, which

²¹ **50. Hearing and decision. –**

(1) The Registrar, after the closure of the evidence, shall give notice to the parties of the first date of hearing. The date of hearing shall be for a date at least one month after the date of the first notice.

(2) A party to a proceeding may make a request for adjournment of the hearing with reasonable cause in Form TM-M accompanied by the prescribed fee, at least three days before the date of hearing and the Registrar, if he thinks fit to do so, and upon such terms as he may direct, may adjourn the hearing and intimate the parties accordingly:

Provided that no party shall be given more than two adjournments and each adjournment shall not be for more than thirty days.

(4) If the opponent is not present at the adjourned date of hearing and at time mentioned in the notice, the opposition may be dismissed for want of prosecution and the application may proceed to registration subject to Section 19.

²² **53. Entry in the Register. –**

(1) Where no notice of opposition to an application advertised or re-advertised in the Journal is filed within the period specified in sub-section (1) of Section 21, or where an opposition is filed and it is dismissed, the Registrar shall, subject to the provisions of sub-section (1) of Section 23 or Section 19, enter the trade mark on the register.



was the *sine qua non* for Section 11(1)(a) to apply. Assuming Section 11(1)(a) was at all applicable, Mr. Ganesh submits that the case is squarely covered by Section 11(4), as Takeda had consented to the registration of PANTOCID in the plaintiff's favour, as was apparent from the facts stated in the Order dated 27 December 2010 *supra*. The fact that it was not opposing use of the PANTOCID mark by the plaintiff was admitted by Atlanta Pharma to the Senior Examiner in the Trade Marks Registry. Further, no proceedings were taken, either by Takeda or by Atlanta Pharma, to challenge the Order dated 27 December 2010. The Order is, even otherwise, submits Mr. Ganesh, sound and correct in its approach, and decides the rival claims *ex debito justitiae*. In view of the words "other special circumstances", contained in Section 11(4) and Section 12, the Order was well within the competence and authority of the Senior Examiner. In this context, Mr. Ganesh has also relied on Section 18(4)²³ of the Trade Marks Act.

48. Apropos Mr. Sai Deepak's submission that, prior to 2011, none of the invoices filed by the plaintiff were truly reliable, as sales, in the said invoices, were to Aditya Medisales, Mr. Ganesh submits that, in most of the invoices filed by the defendants, too, sales were effected to its own distributor. He further points out that none of the said invoices reflect sales in Delhi, so that the plaintiff's submission that it came to know of the use of the PANTOPACID mark by the defendants only in 2023 could not be disbelieved. In this context, Mr. Ganesh has drawn attention to the fact that, even in the legal notice dated 16 September 2010, addressed by the plaintiff to the defendants,

²³ (4) Subject to the provisions of this Act, the Registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit.



it was specifically stated that the plaintiff had not noticed use, by the defendants, of the PANTOPACID mark, as it was not appearing in any of the relevant trade journals. It was for that reason, among others, that the plaintiff requested the defendants to withdraw their application for registration of PANTOPACID, from the Trade Marks Registry. The defendants, in their reply email sent on 4 October 2010, sought guidance on how to proceed in the matter and also sought to know the identity of the journal to which the plaintiff had referred to allege that the defendants' user date was not justified. On the same date, he points out, the plaintiff responded to the defendants, calling on the defendants to produce cogent material justifying their user claim and reiterating its demand that the defendants withdraw their application for registration of the mark PANTOPACID from the Trade Marks Registry, as it was conflicting with the plaintiff's registered PANTOCID mark. The defendants were also called upon to immediately cease and desist further use of the mark PANTOPACID. In these circumstances, Mr. Ganesh submits that the plaintiff could not be treated as a silent spectator to the use, by the defendants, of the impugned PANTOPACID mark.

49. Supplementing the submissions of Mr. Ganesh, Mr. Rajshekhar Rao places reliance on para 10 of *Coolways India v. Prince Air Conditioning and Refrigeration*²⁴ and paras 5, 18, 22, 28 and 40 of *Cadila Healthcare Ltd v. Aureate Healthcare Pvt Ltd*²⁵, each rendered by a learned Single Judge of this Court.

²⁴ (1993) 1 Arb LR 401

²⁵ (2012) 51 PTC 585



50. Mr. Rajshekhar Rao submits that the defendants have not challenged the validity of the registration of PANTOCID in favour of the plaintiff in their written statement and that, therefore, the submissions of Mr. Sai Deepak are being made 17 years too late. Apropos the doubts that Mr. Sai Deepak seeks to cast on the plaintiff's documents, Mr. Rajshekhar Rao refers to the affidavit filed by way of response in that regard and also relies on para 22 to 24 of the judgment of the High Court of Bombay in *Rahul Mahendra Patel v. F.S.K Enterprises*²⁶.

51. Mr. Rajshekhar Rao further questions the entitlement of Mr. Sai Deepak to attack the registration of PANTOCID in favour of the plaintiff, by reference to the affidavit of admission and denial, filed by the defendants in terms of Order XI Rule 4(1) of the CPC as amended by the Commercial Courts Act, 2015. He has drawn particular attention to S. Nos 4 and 5 of the table contained in the said affidavit, which read thus:

S.No.	Details of the documents of the Plaintiff	Page No.	Correctness of contents of a document	Statement of the existence of a Document	Statement of execution of a Document	Statement of issuance or receipt of a Document	Statement of custody of a Document
4.	Certificate for Use in legal proceedings (LPC) qua Plaintiff's registration for the trade mark PANTOCID under no . 791979	130-131	Admitted	Admitted	Admitted	Admitted	Admitted
5.	Plaintiff's trade mark registrations for the marks PANTOCID	132-140	Admitted however the contents must be	Admitted however the contents must be	Admitted however the contents must be	Admitted however the contents must be	Admitted however the contents must be

²⁶ 2016 SCC OnLine Bom 6646



	DSR, PANTOCID L and PANTOCID IV under no. 4632166, 4494365 and 4646473 respectively along with File Wrapper, TM- J/Registration Certificate		compared with the original	compared with the original	compared with the original	compared with the original	compared with the original
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Mr. J. Sai Deepak in surrejoinder

52. Mr. Sai Deepak was given a chance at surrejoinder. He submits, relying on *P. John Chandy and Company (P) Ltd. v. John P. Thomas*²⁷, that consent is not the same as acquiescence. It could not be said that Takeda had consented to the registration of PANTOCID in favour of the plaintiff; ergo, Section 11(4) would not apply. He relies, in this context, on the judgment of this Bench in *Vending Updates (India) Pvt. Ltd. v. Registrar of Trademarks*²⁸.

53. The Order dated 27 December 2010, of the Senior Examiner, submits Mr. Sai Deepak, is obviously erroneous, as it does not even purport to examine Section 11(4) or Section 12 of the Trade Marks Act. Insofar as Mr. Ganesh's submission that the defendants have not, as yet, sought to challenge the registration of PANTOCID in the plaintiff's favour, Mr. Sai Deepak submits that the defendants have no objection to the said registration, or to the use of the mark PANTOCID by the plaintiff, so that no occasion arose for the defendants to challenge either the registration or the use. When,

²⁷ (2002) 5 SCC 90

²⁸ 2023 SCC OnLine Del 896



however, the plaintiff sought to unseat the defendants' PANTOPACID mark on the basis of the said registration, the defendants had every right to question the validity of the registration as one of the grounds on which to oppose the plaint.

54. Mr. Sai Deepak further submits that, though, in the written statement, as well as in the reply to the present application, the defendants have specifically questioned the validity of the registration of PANTOCID in the plaintiff's favour, there is no response, thereto, in the rejoinder filed by the plaintiff.

55. Apropos *Coolways*²³ and *Cadila*²⁴, Mr. Sai Deepak submits that neither of the said decisions dealt with a situation in which the plaintiff had approached the Court after an inordinate delay. Especially in *Coolways*²³, Mr. Sai Deepak points out, from para-1 of the decision, that the defendant was using the impugned mark only since 1992, which was the year when the suit was instituted by the plaintiff. Neither of these decisions, therefore, in his submission, can be of help to the plaintiff.

Analysis

56. Be it noted, at the very outset, that none of the learned Counsel for the plaintiff advanced any independent argument to the effect that the defendants were passing off their product as the product of the plaintiff, though the plaintiff does so allege. I shall, therefore, also address the issue of passing off, towards the conclusion of this judgment, albeit in the light of the contentions advanced at the Bar.



57. On the aspect of infringement, as in every case, the following two issues arise:

- (i) Does the defendants' PANTOPACID mark infringes the plaintiff's PANTOCID mark?
- (ii) If it does, is the plaintiff entitled to interlocutory injunctive relief against the defendant?

58. I proceed to address these issues, seriatim.

59. The first issue to be considered is whether the defendants' PANTOPACID mark infringes the plaintiff's PANTOCID mark. Before, however, addressing this issue, I deem it necessary to provide what, in my opinion, is an important aspect which flows from the statutory interplay between Section 28(1) and Section 29 of the Trade Marks Act.

60. Sections 28(1) and 29, vis-à-vis the aspect of validity of the plaintiff's mark

60.1 Infringement is a statutory tort. However, following the time-honoured adage *ubi jus ibi remedium*²⁹, the entitlement to a remedy against infringement, necessarily depends on the existence of a right, in the plaintiff, in that regard. The right to protect one's trademark against infringement is also statutorily conferred and, being so statutorily conferred, has to remain within the boundaries of the provision which confers the right.

²⁹ Wherever there is a right, there is a remedy.



60.2 The right to protection against infringement is conferred by Section 28(1) of the Trade Marks Act, which reads thus:

“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.”

60.3 Proprietorship of a registration in respect of a trademark does not, therefore, *ipso facto* entitle the proprietor to a right to obtain relief against infringement of the mark. Both rights that Section 28(1) envisages, i.e., the right to claim exclusivity over the trademark and the right to obtain relief against infringement of the trademark, *are conditional on the registration of the trademark being valid*. The legislature, it is trite, does not indulge in a superfluity or tautology.³⁰ The words “if valid”, in Section 28(1), therefore, clearly indicate that, in order to enjoy the fruits of registration, whether in the form of a right to exclusivity or protection against infringement, the proprietor of the trademark has necessarily to establish that the registration is valid.

60.4 The necessary indicia, which are required to be established in order for a successful charge of infringement to be laid, are contained in the various sub-sections of Section 29. Satisfaction of these indicia would, however, only establish that the defendants have infringed the

³⁰ Refer *Umed v. Raj Singh*, (1975) 1 SCC 76; *Dilbagh Rai Jerry v. UOI*, (1974) 3 SCC 554



plaintiff's registered trade mark. *The entitlement of the plaintiff to relief against such infringement would, nonetheless, have to abide by Section 28(1), which would require the plaintiff to show, in addition, that its registration is valid.*

60.5 The words “relief against infringement”, as contained in Section 28(1), cannot be read as “final relief against infringement”, or understood as relief against infringement at the conclusion of the suit. “Relief against infringement” would, plainly, include interlocutory relief against infringement, as much as it would include final relief against infringement. In other words, the entitlement to an interlocutory injunction against infringement, by the defendants, of the plaintiff's registered trademark is also dependent on the plaintiff establishing that the registration of its trademark is valid.

60.6 It is important to understand this distinction. *Validity of the registration of the plaintiff's trademark has nothing to do with infringement, but it has everything to do with the right of the plaintiff to obtain relief against infringement, where infringement is found to exist. Section 29 defines “infringement”. There is no reference, in Section 29, to the validity, or invalidity, of the registration of the plaintiff's trademark. In other words, while examining the aspect of infringement, the Court is only concerned with whether the ingredients and indicia of Section 29 are, or are not, satisfied in the case before it. If they are, there is infringement; else, there is none. The plaintiff's mark is only required, for the purposes of infringement analysis under Section 29, to be registered; nothing more. Whether the registration is valid, or invalid, is not a factor which should*



statutorily concern the Court, under Section 29. Validity, however, becomes an issue, under Section 28(1), once the court finds infringement to exist. If infringement exists, then, the right of the plaintiff to obtain relief against such infringement is, by virtue of Section 28(1), conditional upon the registration of the mark being valid. In other words, even if infringement exists, the plaintiff, as the holder of the registered trademark, cannot be entitled to any relief against such infringement, unless and until the registration of the plaintiff's trademark is valid. That is, statutorily, the inexorable scheme of Section 28(1) and Section 29 of the Trade Marks Act.

60.7 Of course, at the interlocutory stage, this onus would have to be discharged by the plaintiff only *prima facie*. To that extent, the plaintiff would, no doubt, be entitled to the benefit of the presumption of validity of a registered trademark, statutorily conferred by Section 31(1) of the Trade Marks Act.

60.8 Section 31(1) is a provision which deals with evidence. It states that, in all legal proceedings relating to a registered trademark – which would include infringement proceedings – the registration of the trademark shall be *prima facie* evidence of its validity. The use of the words “prima facie” is significant. The legislature has taken care to clarify that registration is not *conclusive* proof of validity. At the highest, it is only *prima facie* proof of validity. As the gladiatorial duel, at the interlocutory stage, takes place in the *prima facie* arena, the presumptive benefit provided by Section 31(1), consequent on registration of a trademark is also only *prima facie*, and nothing more.



At the same time, as the plaintiff is, at the interlocutory stage, only required to make out a *prima facie* case, the onus, on the defendants, to displace such a *prima facie* case is somewhat heavier than usual. If, however, the defendants succeeds in setting up a case which is strong enough to displace the *prima facie* evidence available in favour of the plaintiff in the form of registration of its trademark, the Court cannot ignore it. If, therefore, the defendants are successful in launching a sufficiently vigorous attack to the validity of the plaintiff's registration, then, in order for the plaintiff to succeed in obtaining relief against infringement, within the meaning of Section 28(1), it is necessary that the plaintiff successfully repels the onslaught. Else, the plaintiff cannot obtain relief against infringement, even if infringement has taken place.

61. Has infringement taken place?

61.1 There can, in my *prima facie* view, be little doubt about the fact that PANTOPACID infringes PANTOCID, within the meaning of Section 29(2)(b) of the Trade Marks Act. "Infringement", within the meaning of Section 29(2)(b), takes place where three conditions are cumulatively satisfied. These are that-

- (i) the defendants' trademark is similar to the plaintiff's registered trademark,
- (ii) the goods or services covered by the marks are identical or similar and,
- (iii) *because of (i) and (ii)*, there is likelihood either of-
 - (a) confusion on the part of the public or



(b) association of the defendants' trademark with the plaintiff's registered trademark.

61.2 That these cumulative factors exist, in the present case, in my view, hardly needs any discussion. There is marked phonetic similarity between PANTOPACID and PANTOCID. The classic test to be applied while examining the existence of phonetic similarity between marks is that enunciated by Parker, J., close on a century and a quarter ago in *Re. Pianotist Co's application*³¹, which is now *locus classicus* and has been followed by the Supreme Court, as well as various High Courts, including this Court, times without number³²:

“You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks are used in a normal way as a trade mark for the goods of the respective owners of the marks.”

Applying the *Pianotist*³⁰ test, PANTOCID and PANTOPACID look and sound alike. They are both used as brand names for the same product, i.e. pantoprazole. A customer, who seeks to buy the product to cure his acidity, and who is not well versed with the names of drugs, is unlikely to be able to distinguish between PANTOCID and PANTOPACID. More accurately, there is every likelihood of a customer, who purchases PANTOCID on one occasion and, later, comes across PANTOPACID, to be confused into believing that he had earlier purchased the same drug.

³¹ [1906] 23 RPC 774

³² Refer *Khoday Distilleries Limited v. The Scotch Whiskey Association* : (2008) 10 SCC 723; *Amritdhara Pharmacy v. Satyadeo Gupta* : AIR 1963 SC 449



61.3 The submission of Mr. Sai Deepak that there was no likelihood of confusion as the drugs are dispensed by doctors, being Schedule H drugs, and sold by chemists, met its Waterloo almost a quarter of a century ago, in the following passages from *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.*³³:

“22. It may here be noticed that Schedule ‘H’ drugs are those which can be sold by the chemist only on the prescription of the doctor but Schedule ‘L’ drugs are not sold across the counter but are sold only to the hospitals and clinics. Nevertheless, it is not uncommon that because of lack of competence or otherwise, mistakes can arise specially where the trade marks are deceptively similar. In *Blansett Pharmaceuticals Co. v. Carmick Laboratories Inc.*³⁴ it was held as under:

“Confusion and mistake is likely, even for prescription drugs prescribed by doctors and dispensed by pharmacists, where these similar goods are marketed under marks which look alike and sound alike.”

21. It will be useful to refer to some decisions of American courts relating to medicinal products. In the case of *American Cynamid Corpn. v. Connaught Laboratories Inc*³⁵ it was held as under:

“Exacting judicial scrutiny is required if there is a possibility of confusion over marks on medicinal products because the potential harm may be far more dire than that in confusion over ordinary consumer products.”

23. In the case of *Glenwood Laboratories, Inc. v. American Home Products Corpn.*³⁶ the Court of the United States had held that:

“The fact that confusion as to prescription drugs could produce harm in contrast to confusion with respect to non-medicinal products is an additional consideration for the Board as is evident from that portion of the opinion in which the Board stated: ‘The products of the parties are

³³ (2001) 5 SCC 73

³⁴ 25 USPQ 2nd, 1473 (TTAB 1993)

³⁵ 231 USPQ 128 (2nd Cir 1986)

³⁶ 73 USPQ 19 (1972) 455 F Reports 2d, 1384 (1972)



medicinal and the applicant's product is contraindicated for the disease for which the opposer's product is indicated. It is apparent that confusion or mistake in filling a prescription for either product could produce harmful effects. Under such circumstances, it is necessary for obvious reasons, to avoid confusion or mistake in the dispensing of the pharmaceuticals.'

The board's view that a higher standard be applied to medicinal products finds support in previous decisions of this Court, *Clifton v. Plough*³⁷ ('it is necessary for obvious reasons, to avoid confusion in the dispensing of pharmaceuticals'), *Campbell Products, Inc. v. John Wyeth & Bro. Inc.*³⁸ ('it seems to us that where ethical goods are sold and careless use is dangerous, greater care should be taken in the use of registration of trade marks to assure that no harmful confusion results')."

27. *As far as the present case is concerned, although both the drugs are sold under prescription but this fact alone is not sufficient to prevent confusion which is otherwise likely to occur. In view of the varying infrastructure for supervision of physicians and pharmacists of medical profession in our country due to linguistic, urban, semi-urban and rural divide across the country and with high degree of possibility of even accidental negligence, strict measures to prevent any confusion arising from similarity of marks among medicines are required to be taken.*

32. *Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal products as against other non-medicinal products. Drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Noting the frailty of human nature and the pressures placed by society on doctors, there should be as many clear indicators as possible to distinguish two medicinal products from each other. It is not uncommon that in hospitals, drugs can be requested verbally and/or under critical/pressure situations. Many patients may be elderly, infirm or illiterate. They may not be in a position to differentiate between the medicine prescribed and bought which is ultimately handed over to them. This view finds support from McCarthy on Trade Marks, 3rd Edn., para 23.12 of which reads as under:*

"The tests of confusing similarity are modified when the goods involved are medicinal products. Confusion of

³⁷ 341, F 2d 934, 936, 52, CCPA 1045, 1047 (1965)

³⁸ 143, F 2d 977, 979, 31 CCPA 1217 (1944)



source or product between medicinal products may produce physically harmful results to purchasers and greater protection is required than in the ordinary case. If the goods involved are medicinal products each with different effects and designed for even subtly different uses, confusion among the products caused by similar marks could have disastrous effects. For these reasons, it is proper to require a lesser quantum of proof of confusing similarity for drugs and medicinal preparations. The same standard has been applied to medical products such as surgical sutures and clavicle splints.””

(Emphasis supplied)

A trademark which is confusingly or deceptively similar to an existing registered trademark does not, therefore, cease to be so, merely because the marks are used for prescription drugs. To err is human; and the dispensing chemist, if not the prescribing doctor, is as apt to err as the rest of us, even if to a lesser degree.

61.4 Nor can the difference in prices of the drugs be determinative of the aspect of infringement. We are dealing with pharmaceutical products, not with high-value electronic items, the price of which may burn a hole in the pocket. To my mind, neither does the chemist dispensing the medicine, nor, in most cases, does the patient who purchases the medicine, purchase it on the basis of its price. The very possibility of “initial interest confusion”, i.e., of the unwary customer of average intelligence and imperfect recollection, on initially being confronted with the defendants’ product, being placed in a state of wonderment, howsoever momentary, as to whether he has seen the product earlier, is sufficient to constitute “infringement”.³⁹ Moreover, following on the *Cadila*³² logic, there is no guarantee that the patient,

³⁹ Refer *Shree Nath Heritage Liquor Pvt Ltd v. Allied Blender & Distillers Pvt Ltd* : (2015) 63 PTC 21 5513



who visits the chemist's shop and asks for PANTOCID, would encounter the seasoned shop owner. He may as well be dealing with his newly recruited assistant, who may not be aware of the subtle difference between PANTOCID and PANTOPACID. To the patient, it may make no difference, as, in either case, he would be dispensed pantoprazole. The very possibility of the patient being dispensed PANTOPACID instead of PANTOCID, however, results in the tort of infringement standing *ipso facto* committed against the plaintiff.

61.5 Section 17(2) – effect of the “PANTO” prefix on the right of the plaintiff to claim exclusivity

61.5.1 The fact that “PANTO” is the prefix – or the first half – of PANTOCID, according to Mr. Sai Deepak, affects the plaintiff's right to assert exclusivity in respect of “PANTO” in two ways. The first is that the prefix “PANTO”, not being registered in the plaintiff's favour as a separate trademark, cannot constitute the basis of a legitimate claim to exclusivity, in view of Section 17(2)(a)⁴⁰ of the Trade Marks Act. The second is that the prefix “PANTO” is common to the trade and, again, cannot therefore constitute a basis to claim to exclusivity in view of Section 17(2)(b) of the Trade Marks Act.

61.5.2 In the context of pharmaceutical preparations, this issue is no longer *res integra*. A Division Bench of this Court was, in *AstraZeneca*¹² seized of a substantially similar controversy. The rival marks, in that case, were “MERONEM” of the plaintiff and

⁴⁰ For Section 17, refer Footnote 2



“MEROMER” of the defendant. The division Bench held that, as the prefix “MERO” was taken from the name of the API meropenem, the plaintiff could not claim exclusivity on the basis of the common “MERO” prefix. The Division Bench agreed with the decision of the learned Single Judge – on which Mr. Sai Deepak relies – that, if one were to exclude the common “MERO” prefix, the remainder of the two competing marks “NEM” and “MER” could not be treated as phonetically similar. Similarly, in *Schering Corporation*⁸, another Division Bench of this Court held the marks TEMOKEM and TEMOGET not to be deceptively similar, as the prefix “TEMO” refers to the common API Temozolomide, and there was no phonetic or other similarity between “KEM” and “GET”. In a similar vein, albeit not in the context of pharmaceuticals, the Supreme Court had, in *J.R. Kapoor v. Micronix India*⁴¹, held that the marks MICRONIX and MICROTEL were not deceptively similar, as the prefix “MICRO” was descriptive of the technology used in the products and could not, therefore, constitute the basis for a claim to exclusivity, and there was no phonetic or other similarity between “NIX” and “TEL”.

61.5.3 These decisions cannot, however, affect the aspect of infringement in the present case, as, unlike the situation which obtained in *AstraZeneca*¹² or *Schering Corporation*⁸, if one were to exclude, from consideration, the common prefix “PANTO”, from the rival marks PANTOCID and PANTOPACID, as representing the API pantoprazole, the remaining parts of the two marks, “CID” and “PACID”, when considered as the latter halves of the two rival marks

⁴¹ 1994 Supp (3) SCC 215



PANTOCID and PANTOPACID, are themselves deceptively similar to each other, to the extent that the whole marks PANTOCID and PANTOPACID become equally deceptively similar. This, therefore, is not a case like *AstraZeneca*¹² or *Schering Corporation*⁸, in which, once the former descriptive part of the marks was excluded from consideration as a basis to claim infringement, the latter parts were wholly dissimilar to each other.

61.5.4 Mr. Sai Deepak’s contention that the prefix “PANTO” is common to the trade, is neither here nor there. The plaintiff is not claiming infringement, between PANTOCID and PANTOPACID, on the basis of the prefix “PANTO”. What the plaintiff contends – and the Court finds substantial – is that, seen as whole marks, PANTOCID and PANTOPACID are deceptively similar to each other. That deceptive similarity cannot be mitigated, in any manner, by the number of trademarks, for pharmaceutical products, which contain the prefix “PANTO”, in existence.

61.6 Thus, PANTOCID and PANTOPACID, being structurally, phonetically and visually confusingly similar, PANTOPACID *prima facie* infringes PANTOCID.

62. Is the plaintiff entitled to any “relief against infringement”?

62.1 Which brings us to the more substantial aspect of the case, which is whether the plaintiff is entitled to any relief against the defendants. As already noted, one of the indispensable requirements, for the plaintiff to be entitled to relief against the defendants, is that



the registration of the plaintiff's PANTOCID mark is valid. Mr. Sai Deepak holds up, as a challenge to the validity of the registration of PANTOCID in the plaintiff's favour, the Takeda registration, in the backdrop of Section 11 of the Trade Marks Act.

62.2 As placed in the path of the plaintiff's sprint to the finish line by Mr. Sai Deepak, this is a formidable hurdle and, having applied myself to the rival contentions addressed by both sides, I am constrained to hold that the plaintiff has not been able to scale it.

62.3 The facts are not in dispute. The applicable statutory provisions, however, deserve to be closely examined.

62.4 The circumstances in which the Registrar may refuse to register a trademark are contained in Sections 9 and 11 of the Trade Marks Act. Though, titulary, Section 9 contains "absolute" and Section 11 contains "relative" grounds for refusal of registration, both are, in a sense, absolute. The difference is that the grounds envisaged by Section 9 relates to circumstances which would apply across the board to any and every mark which aspires to registration, and is not dependent on any other mark existing in the field, such as marks which are devoid of distinctive character, which are descriptive in nature, which hurt religious sentiments, or which are scandalous or obscene, among others. In such cases, no further enquiry is required to be conducted by the Registrar, and the mark stands *ipso facto* disentitled to registration. The grounds for registration contained in Section 11 are, however, relative to other existing marks, which is



why they are, titularly, called “relative grounds for refusal of registration”. They are, nonetheless, absolute in the sense that, if the circumstances envisaged in sub-sections (1) or (2) are found to exist, the applicant’s mark *shall* not be registered. Learned Senior Counsel for the plaintiff sought to contend that Section 11(4) permitted registration of marks which were otherwise ineligible to registration under Section 11(1), subject to exercise of judicious discretion by the Registrar in that regard. As formulated by learned Senior Counsel for the plaintiff, I am unable to agree with that proposition, for reasons which would become apparent by and by.

62.5 Section 11(1) is, structurally, practically an alter ego of Section 29(2) – or, should one say, *vice versa*. The only difference is that Section 11(1) is subject to Section 12. If, therefore, the case justifies invocation of Section 12, then, despite the ingredients of Section 11(1) being present, the applicant’s mark may nonetheless proceed to registration.

62.6 Section 11(1)(a) proscribes registration of a trademark which, owing to its identity to an earlier trademark, and similarity of the goods or services covered by the two marks, results in a likelihood of confusion, or a likelihood of an inference of association with the earlier marked, in the minds of the public. It needs no detailed study to make out that the ingredients of Section 11(1)(a) are practically the same as those of Section 29(2)(a). The only difference is that Section 29(2)(a) envisages identity of a later unregistered trademark with an earlier registered trademark, resulting in confusion or an inference of



association, whereas the identity envisaged by Section 11(1)(a) is between the mark seeking registration and an “earlier trademark”.

62.7 “Earlier trademark” is defined in clause (a) in the Explanation⁴² in Section 11 as including “an application under section 18 bearing an earlier date of filing”. The application filed by Takeda for registration of PANTOCID, being earlier in point of time to the application filed by the plaintiff for registration of the very same mark, constituted an “earlier trademark” within the meaning of Section 11. The marks were identical. Registration of the marks were being sought for identical goods. Likelihood of confusion was, therefore, *ex facie* apparent. The application of the plaintiff, for registration of the mark PANTOCID, therefore, directly attracted Section 11(1)(a) of the Trade Marks Act. Registration of the mark was, therefore, proscribed.

62.8 The submission of learned Senior Counsel for the plaintiff that, as Takeda never actually used the registered PANTOCID mark, there was no likelihood of confusion, has, to employ a time-worn cliché, merely to be stated to be rejected. Likelihood of confusion, in Section 11(1), is not dependent on *actual use* of the marks. If that were so, Section 11(1) would stand entirely excluded in the case of marks which were registered, or of which registration was sought, on “proposed to be used” basis. As in the case of Section 29(2), the likelihood of confusion, under Section 11(1), has to be gauged, by the Court, by comparing the marks. If they are identical, or deceptively

⁴² A registered trade mark or an application under section 18 bearing an earlier date of filing or an international registration referred to in section 36E or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks



similar, so as to result in likelihood of confusion in the public, the ingredients of Section 11(1) stand satisfied. Likelihood of confusion is all that is required to be shown; not actual confusion.

62.9 That said, as already noticed, Section 11(1) is subject to Section 12. If, therefore, the plaintiff's PANTOCID mark was eligible for registration under Section 12, it would be entitled to registration, despite the findings in para 62.6 *supra*.

62.10 Section 12 deals with registration in two circumstances. The first is "honest concurrent use". The second is where "other special circumstances" exist which, in the opinion of the Registrar, render it proper to register the mark.

62.11 Do either of these circumstances apply, so as to save the plaintiff's application for registration of PANTOCID from the grip of Section 11(1)(a)?

62.12 The answer, in my *prima facie* opinion, has to be in the negative.

62.13 "Honest concurrent use" has not even been pleaded by the plaintiff, in the rejoinder to the reply filed by the defendants to the present application, despite the plea of invalidity of the PANTOCID mark being specifically raised in the reply. "Honest concurrent use" is a matter of fact, not of law. Where it is not pleaded, therefore, the defence cannot be available to the plaintiff.



62.14 Besides, even on facts, it is the plaintiff's own case that Takeda never used the mark PANTOCID. There could not, therefore, be any question of "concurrent use", honest or otherwise.

62.15 Learned Senior Counsel for the plaintiff have sought to rely on the Order dated 27 December 2010, passed by the Senior Examiner. As the Senior Examiner was, by delegation, exercising the powers of the Registrar in the matter of consideration of the plaintiff's application for registration of the mark PANTOCID, learned Senior Counsel would contend that, as the Registrar could grant registration of the mark, even in the face of Section 11(1), if "special circumstances" existed, justifying such grant, the defendants could not be heard to contend that the grant of the registration was invalid.

62.16 Before addressing this contention, it has to be noted that the defendants were not parties to the Order dated 27 December 2010 and cannot, therefore, be regarded as bound by the said Order.⁴³ Nor can the inaction, on the part of Atlanta Pharma A.G in challenging the said Order, result in any prejudice to the defendants.

62.17 The submission of learned Senior Counsel for the plaintiff, with respect to the "special circumstances" in which the Registrar could, in the teeth of Section 11(1), nonetheless proceed to register a mark which is deceptively similar to an earlier trademark is, in my *prima facie* opinion, clearly misguided. This is apparent from a juxtaposed reading of Section 11(4) and Section 12, on the aspect of "special

⁴³ Refer *State of Punjab v. Amar Singh*, (1974) 2 SCC 70



circumstances”. Section 11(4) acts – and, to this limited extent only, learned Senior Counsel for the plaintiffs are correct – as an exception to the rigour of Section 11(1) and (2), *where the proprietor of the earlier trademark consents to the registration of the later trademark*. It is in this, and only in this sole and limited circumstance, that the Registrar can register the confusingly similar later trademark, despite the existence of the earlier trademark. To reiterate, Section 11(4) clearly states that the remainder of Section 11 would not operate to prevent the registration of a trademark *if the proprietor of the earlier trademark or other earlier right consents to the registration –and, as the provision proceeds to clarify, in such case*, the Registrar may register the mark under special circumstances under Section 12. The power of the Registrar to register marks in “special circumstances”, as conferred by Section 12 is not, therefore, unfettered, and left to the absolute whim of the Registrar – or, in the present case, the Senior Examiner. Indeed, if that was the position, it could result in “registration anarchy” where the registering officer could throw Section 11(1) to the winds and, solely on his own whim and, perhaps, even caprice, proceed to register multifarious marks which are identical, or deceptively similar, to each other. This Court is unwilling to extend, to Section 12, such an interpretation, which could result in such invidious results, opening the doors to whimsicality and arbitrariness.

62.18 “Consent”, it is well settled, betokens a positive act. I need not burden this judgment by entering into a jurisprudential analysis of the concept of consent, as, in view of the fact that Atlanta Pharma A.G,



the successor-in-interest of Takeda, specifically opposed Application 791979, whereby the plaintiff sought registration of PANTOCID, it cannot be said that Takeda – or its successor-in-interest – consented to the registration of the mark PANTOCID in the plaintiff’s favour. “Consent”, in Section 11(4), is, statutorily, are required to be “consent to the registration” of the mark of which registration is sought. Consent to the user of the mark, whether before or after it is registered, cannot constitute “consent” for the purpose of Section 11(4). There being no positive consent granted either by Takeda or by Atlanta Pharma to the registration of PANTOCID in favour of the plaintiff, and, rather, the opposition filed by Atlanta Pharma indicating to the contrary, the primary condition for applicability of Section 11(4) is not satisfied in the present case.

62.19 *Prima facie*, in such circumstances, the legality and propriety of the Order dated 27 December 2010, of the Senior Examiner, may be seriously open to question. I refrain, however, from expressing any final view in that regard, as the present application only requires this Court to arrive at a *prima facie* opinion.

62.20 *Prima facie*, both in view of Section 11(4) read with Section 12 of the Trade Marks Act, is also because the defendants were not parties to the Order dated 27 December 2010, the passing of the said Order cannot impact, in any manner, the plea of invalidity of the registration of the mark PANTOCID in favour of the plaintiff, as contained in the written statement of the defendants and as orally urged by Mr. Sai Deepak.



62.21 The reliance, by Mr Rajshekhar Rao, on the affidavit of admission and denial filed by the defendants is also misguided. There is nothing, in the said affidavits, or in the table of admissions and denials contained therein, which would disentitle the defendants from seeking to question the validity of the plaintiff's registration for the mark PANTOCID. The admission, by the defendants, of the contents of the registration certificates issued to the defendants for PANTOCID, PANTOCID L and PANTOCID IV, would only indicate that the respondents admitted that, *vide* the said certificates, the said marks were in fact registered. It cannot be treated as an acknowledgement, much less an admission, by the defendants, of the *entitlement* of the said marks to registration.

62.22 A *prima facie* sustainable challenge has, therefore, been made out, by Mr. Sai Deepak, to the validity of the registration of the mark PANTOCID in favour of the plaintiff. That being so, the basic requirement, envisaged by Section 28(1) of the Trade Marks Act, of the registration of the asserted mark being valid, is not satisfied in the present case. The inexorable sequitur is that the plaintiff is not, *prima facie*, entitled to relief against the infringement, by the defendant, of the plaintiff's PANTOCID mark.

62.23 I am aware that, in *Laxmikant V. Patel v. Chetanbhai Shah*⁴⁴ and in *Midas Hygiene Industries (P) Ltd v. Sudhir Bhati*⁴⁵, the Supreme Court has held that, where the infringement is found to

⁴⁴ (2002) 3 SCC 65

⁴⁵ (2004) 3 SCC 90



occur, an injunction must ordinarily follow. Those, however, were not cases in which the question of the validity of the mark asserted by the plaintiff and, resultantly, the entitlement of the plaintiff to relief against infringement, under Section 28(1) of the Trade Marks Act, was involved. The Supreme Court has itself declared, time and again, that its judgments are not to be likened to theorems of Euclid, and that the applicability of the principles enunciated in decisions of the Supreme Court, to later cases, has to be gauged in the light of the facts before the Supreme Court, and the issue in controversy.⁴⁶ *Laxmikant V. Patel*⁴⁴ and *Midas Hygiene*⁴⁵ would not, therefore, apply to the present case, where the validity of the registration of the mark asserted in the plaint is seriously open to question.

63. Allegation of suppression, concealment and misstatement

63.1 Though the above discussion is sufficient to reject the present application, serious issues of concealment and suppression have also been raised by Mr. Sai Deepak which, in my considered opinion, *prima facie* have substance.

63.2 Mr. Sai Deepak is correct in his contention that there are several aspects in which the plaint seems less than forthright. The assertion, in para 11 of the plaint, that the name PANTOCID was coined by the plaintiff, is obviously false, in view of Takeda's earlier application for registration of the very same mark. No explanation, in this regard,

⁴⁶ Refer *Refer Indian Oil Corporation Ltd. v. Shree Ganesh Petroleum* : (2022) 4 SCC 463, *Madras Bar Association v. U.O.I* (2022) 12 SCC 455, *Chintels India Ltd. v. Bhayana Builders Pvt. Ltd.* : (2021) 4 SCC 602



was preferred by learned Senior Counsel for the plaintiff during arguments, despite Mr. Sai Deepak had been specifically urged the point. There is complete suppression, in the plaint, of Takeda's application, its consequence, and all aspects relating thereto.

63.3 Equally untrue, *prima facie*, is the statement, in para 32 of the plaint, that the plaintiff came to know of the defendants' PANTOPACID mark in the third week of April 2023, as, in fact, the plaintiff had not only opposed the defendants' application for registration of PANTOPACID on 28 October 2010, but had also issued a legal notice to the defendants on 16 September 2010, calling on the defendants to withdraw their application. On this aspect being pointed out during arguments in Court on 8 May 2023, the plaintiff, in their application dated 12 May 2023, sought to contend that reference to the legal notice dated 16 September 2010 was inadvertently omitted while drafting the plaint. This assertion cannot be accepted, as the plaintiff does not omit to mention that the Defendant 3 filed an application for registration of PANTOPACID on 13 April 2009, and was claiming user of the mark from 15 June 2007. I am unable to accept that the plaintiff selectively omitted, by inadvertence, to place the legal notice on record. The opposition, by the plaintiff, to the application of the Defendant 3 for registration of the PANTOPACID mark, and the legal notice dated 16 September 2010 are pivotal, as they indicate that the suit came to be filed 13 years after the arising of the cause of action in favour of the plaintiff, contrary to what para 32 of the plaint seeks to portray. It is no answer for the plaintiff to contend that, in certain other documents which have been placed on record, such as the evidentiary affidavit filed by the Defendant 3 in



support of its application, there is a reference to the legal notice dated 16 September 2010 issued by the plaintiff.

63.4 Omission, on the part of the plaintiff, to approach the Court with clean hands *ipso facto* disentitles the plaintiff to any injunctive relief, as held by the Division Bench of this Court in *S.K. Sachdeva v. S.K. Sachdeva*⁴⁷. Even on this ground, therefore, the present application merits rejection.

64. Priority of use:

64.1 Insofar as the veracity of the invoices, in which Aditya Medisales has been shown as the consignee/buyer, is concerned, the plaintiff has, in its affidavit dated 15 July 2023, succeeded in making out a *prima facie* case for taking the invoices into consideration. Even so, the legitimacy of the plaintiff's claim to user, of the PANTOCID mark since 1999, predicated as it is entirely on invoices issued by the plaintiff to Aditya Medisales, which is its sole selling agent, may also be disputable.

64.2 The plaintiff having no evidence, whatsoever, or even a single transaction to an independent buyer prior to 2011, the plaintiff claims the priority of use of PANTOCID, *vis-à-vis* the defendant's use of PANTOPACID, is also, at the very least, an issue which would require trial.

⁴⁷ 2016 SCC OnLine Del 473



64.3 Even on the question of priority of use, therefore, it cannot be said that the plaintiff has, at this point, made out a *prima facie* case in its favour.

65. Balance of convenience: Given the above facts and findings, and keeping in mind the fact that the plaintiff has, despite being aware of the use, by the defendants, of the impugned PANTOPACID mark since 2009, taken no steps till 2023 to injunct such use, during which time the defendants have also grown into a formidable market player, the balance of convenience would, in my opinion, clearly not justify bringing the use, by the defendants, of the PANTOPACID mark to a complete halt, at this late stage. Rather, the interests of justice would be subserved if the defendants are directed to maintain accounts of their earnings from use of the impugned PANTOPACID mark, and periodically submit them to the Court, pending disposal of the suit.

Conclusion

66. Resultantly, I am of the opinion that the plaintiff has not succeeded in establishing its entitlement to relief against the infringement, by the defendants, of the plaintiff's PANTOCID mark, by use of the mark PANTOPACID.

67. The prayer for interlocutory injunction is, therefore, rejected.

68. The defendants are, however, directed to maintain a separate account of its earnings and returns from use of the mark



PANTOPACID. They shall also place, on affidavit, the figures of the amounts earned, by use of the said mark, since inception. Periodical statements, on affidavit, shall be filed by the defendants every three months, placing on record their returns from sales of products using the impugned PANTOPACID mark, or any of its variants.

69. IA. 8800/2023 stands disposed of accordingly.

C.HARI SHANKAR, J

AUGUST 16, 2023