

(2023) 02 BOM CK 0065

In the Bombay High Court

Case No : Writ Petition No.1517 Of 2022

Macleods Pharmaceuticals Limited

APPELLANT

Vs

Union Of India And Others

RESPONDENT

Date of Decision : 15-02-2023

Acts Referred:

Limitation Act, 1963 — Article 114, 115, 16, 117, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137
Constitution Of India, 1950 — Article 226, 227 Code Of Civil Procedure, 1908 — Section 151, Order 14 Rule 1, Order 39 Rule 1, Order 39 Rule 2
Trade Marks Act, 1999 — Section 3(2), 9, 9(2)(a), 10, 11, 11(1), 11(1)(b), 11(2), 11(3), 12, 18, 28(3), 30(2)(e), 34, 36E, 46, 47, 57, 124, 124(1), 124 (1)(b)(ii), 124(2), 125, 154
Trade And Merchandise Act, 1958 — Section 45, 46, 56, 107, 111, 111(2), 111(3)

Citation : (2023) 02 BOM CK 0065

Hon'ble Judges : S.V. Gangapurwala, J;Madhav J. Jamdar, J

Bench : Division Bench

Advocate : Alankar Kirpeka, Archana Sahadeva, Rajas Panandikar, Shekhar Bhagat, Rajesh G. Singh, Carina Xavier, Virag Tulzapurkar, Hiren Kamod, Anees Patel, Aishwarya Ambardekar, Aishwarya Ambardekar

Final Decision : Dismissed

Judgement

Madhav J. Jamdar, J

1. The Petitioner is a Pharmaceutical company duly incorporated under the provisions of Companies Act, 1956. The Petitioner, by the present petition, filed under Articles 226 and 227 of the Constitution of India, has challenged the order dated 30th December 2020 passed by the Respondent no.2-Intellectual Property Appellate Board, Chennai ("IPAB" for short) in the Rectification Application bearing No. ORA/66/2014/ TM/MUM and MP No. 193/2015.

2. By the impugned order, the IPAB has allowed the Rectification Application filed by Respondent No.4-Sun Pharmaceuticals Ltd. and directed to delete the entry of registered Trade Mark Registration No. 838726 of OFLOMAC for medicinal and

pharmaceutical preparations falling in class-5 in the name of the Petitioner from the Register under the provisions of Section 57 of the Trade Marks Act, 1999 (hereinafter referred to as "the 1999 Act").

3. It is the claim of the Respondent no.4 that the Respondent no. 4 applied for registration of Trade mark "OFRAMAX" on 30th August 1989 and the registration was granted on 13th May 1994. The said registered Trade mark is falling in Class-5 i.e. "pharmaceutical products for human and veterinary use". It is the claim of Respondent no. 4 that the said Trade mark is being used since July 1991. The Petitioner filed Trade mark Application on 28th January 1999 regarding the mark "OFLOMAC" in said Class-5 and the Petitioner was granted registration for Trade mark OFLOMAC on 12th December 2005 under Category-5 i.e. "medicinal and pharmaceutical preparations". It is the claim of the Petitioner that they have started the use since April 1999.

4. Thereafter Rectification Application was filed on 29th October 2013 by the Respondent no.4 seeking cancellation/ removal of the said OFLOMAC Trade mark registration of the Petitioner. The said application for removal of Trade mark from the register was filed under Section 57 of the said 1999 Act. As set out earlier by the impugned order dated 30th December 2020 of the IPAB, the said application was allowed. The said order dated 30th December 2020 is impugned in the present writ petition.

5. We have extensively heard Mr. Alankar Kirpekar, learned Counsel for the Petitioner, Mr. Virag Tulzapurkar, learned Senior Counsel for the Respondent no.4 and Mr. Rajesh Singh alongwith Advocate Ms. Karina Xavier for the Union of India.

SUBMISSIONS OF PETITIONER :

6. Mr. Kirpekar, the learned Counsel appearing on behalf of the Petitioner raised following contentions :

(i) The Petitioner adopted the mark "OFLOMAC" which is combination of its medicine name "OFLOXACIN" and the company name "MACLEODS". The date of application for registration of the trade mark is 28th January 1999, date of registration of the Petitioner's mark is 12th December 2005 and date of first use of the mark "OFLOMAC" by the Petitioner is 28th April 1999. Since then, there is continuous use by the Petitioner. Drug license is also issued by the statutory authority in favour of the Petitioner for the mark "OFLOMAC".

(ii) Respondent no.4 claimed user of trade mark "OFRAMAX" since July 1991 but failed to produce any documents to show that the said mark "OFRAMAX" of Respondent no.4 has been used prior to May 1999 and invoices and statements are produced only since 2003.

(iii) Suit for infringement of the trade mark "OFRAMAX" was filed against the Petitioner before the Hon'ble High Court, Delhi by contending infringement of the trade mark "OFRAMAX" due to use of the mark "OFLOMAC" (hereinafter referred to as "Delhi Suit"). No injunction order was passed in the said Delhi Suit till date.

The Petitioner/Defendant filed Written Statement on 14th January 2008 in said Delhi Suit and raised the defence under Section 30(2)(e) of the 1999 Act. Issues were framed on 29th April 2008 and initially issue regarding infringement of the trade mark was framed and then by consent of the parties, the same was deleted on 29th July 2011.

(iv) Admittedly, Respondent no.4 never raised the plea of invalidity of the petitioner's mark "OFLOMAC" before the Delhi High Court. It is contented that, by allowing the issue of infringement deleted by conduct, the Respondent no. 4 abandoned the right to raise the plea of invalidity.

(v) Relying on the decision of the Supreme Court in the case of Patel Field Marshal Agencies and Another Vs. P.M. Diesels Limited and Others (2018) 2 SCC 112 , it is the contention of Mr. Kirpekar that in a situation where a suit is pending (whether instituted before or after filing of the rectification application) the exercise of jurisdiction by the prescribed statutory authority is contingent on a finding of the civil court as regards the prima facie tenability of the plea of invalidity. He submitted that in a situation where civil court does not find a triable issue on the plea of invalidity, the remedy of an aggrieved party would not be to move under Section 46/56 of the Trade and Merchandise Act, 1958 (hereinafter referred to as "the 1958 Act") i.e. Sections 47/57 of the 1999 Act but to challenge the order of civil court in appeal. This would be necessary to avoid multiple proceedings on the same issue and resultant conflict of decisions. It is the contention of Mr. Kirpekar that since Respondent no.4 never raised the plea of invalidity and abandoned the same by their own conduct, Respondent no.4 is not entitled to raise it again before the IPAB. It is submitted that if the suit is pending before the Civil Court, no plea of invalidity can be raised by the party without following the due process of law as mandated by the Supreme Court in Patel Field Marshal Agencies (supra). The Respondent no.4 never raised plea of invalidity before Hon'ble High Court, Delhi by filing the application under Section 124 (1)(b)(ii) of the 1999 Act for framing of issues on the basis of plea of invalidity and for satisfying the Hon'ble High Court, Delhi about the tenability of the plea of invalidity. Hence, the IPAB never came in seisin of the rectification application filed by Respondent no. 4. It is submitted that the application was not maintainable in the eyes of law because it is not filed under Section 124 (1)(b) (ii) of the 1999 Act but it was filed under Section 151 of the Code of Civil Procedure, 1908 ("CPC") to circumvent the effect of abandonment of plea of invalidity under Section 124 of the 1999 Act as held in Patel Field Marshal Agencies (supra).

(vi) It is submitted that the right to raise the plea of invalidity accrued to the Respondent no. 4 on 29th April 2008. The Respondent no. 4 could have filed application under Section 124 by raising the plea of invalidity before Hon'ble High Court, Delhi within time as contemplated by Section 124. If in the year 2013, the Respondent no. 4 would have filed the aforesaid application under Section 124 before Hon'ble High Court, Delhi, it would have been barred by Article 137 of the

Limitation Act. Infact till date no such application under Section 124 is preferred by the Respondent no. 4. Hence, the Respondent No. 4 has abandoned the right to raise the plea of invalidity of the Petitioner's mark by virtue of Article 137 of the Limitation Act.

(vii) It is submitted that the actual use of the Petitioner's mark is prior in point of time. The Petitioner's mark "OFLOMAC" being used prior in point of time is entitled for protection under Section 34 and/or Section 12 of the 1999 Act which protects prior user and/or honest and concurrent user of the same or similar mark. The IPAB has completely overlooked that the documentary evidence clearly shows that the Petitioner's adoption is honest and if not prior then certainly concurrent.

(viii) IPAB completely overlooked the fact that there is no confusion or deception amongst the trade and public as well as medical practitioners as both the marks have been independently existing for more than 20 years and there hasn't been any event of any confusion. It is submitted that the Petitioner's mark "OFLOMAC" is used for "Oxfloxacin" tablets and Respondent no. 4's mark "OFRAMAX" is used for specialised injections that are administered by the specialised doctors only and can not cause any confusion in market. Hence, there is no probability against possibility of confusion and/or public interest as contended by the Respondent no. 4. Even doctors have certified that there is no confusion about the rival products of the Petitioner and Respondent no. 4.

(ix) The Petitioner relied on many judgments to contend that similar trade marks even in medicinal products is allowed. We will make reference to those judgments as and when necessary.

(x) It is submitted that first in the market will be protected over the first registrant of the trade mark in view of Sections 34 and 47 of the said 1999 Act. To substantiate his contention, Mr. Kirpekar relied on the decision of this Court in Neon Laboratories Limited vs. Medical Technologies Limited and Ors (2016) 2 SCC 672.

SUBMISSIONS OF RESPONDENT NO.4 :

7. Mr. Tulzapurkar, learned Senior Counsel appearing for Respondent no. 4 made following submissions:-

(i) Registration of OFLOMAC as a word mark of the Petitioner was challenged by Respondent no. 4 before the IPAB on the ground of Section 9 (2)(a) and Section 11 (1)

(b) of the said 1999 Act. The trade mark of the Petitioner is of such a nature as to deceive the public or cause confusion. There is mark similarity of the Petitioner's trade mark with earlier registered trade mark of Respondent no.4. The Respondent No. 4's trade mark "OFRAMAX" is of the year 1989 for the pharmaceutical products for human and veterinary use and the Petitioner's impugned trade mark "OFLOMAC" is for the same goods i.e. 'medicinal and

pharmaceutical preparations' falling in Class-5 of the Fourth Schedule to the Trade Mark Rules, 2002.

(ii) This is not a case of infringement or passing off, but a case to consider whether the Petitioner's subsequent impugned mark is entitled to be registered, when Respondent no. 4's prior registered Trade mark has already been registered earlier.

(iii) The impugned judgment of IPAB is based on sound application of principles of law and in particular the test of deceptive similarity laid down by the Supreme Court in various decisions as also by this Court and other High Courts. There is no illegality or material irregularity which would warrant interference in exercise of extraordinary writ jurisdiction. Learned Senior Counsel relied on the judgments of the Supreme Court in *Khalil Ahmed Bashir Ahmed Vs. Tufelhussein Samasbhai Sarangpurwala* (1988) 1 SCC 155 (para 13), and of this Court in *Ciba Ltd. Vs. M. Ramalingam* AIR 1958 Bom 56 (DB) (paras 3,8,13).

(iv) The IPAB consisted of a judicial member and at least one technical member, thereby constituting an expert body/Tribunal to deal with matters requiring specialised knowledge. The impugned judgment was delivered by a Bench of IPAB consisting of Chairman and two technical members. The judgment of expert body/ Tribunal ought not be interfered with lightly.

(v) Civil Suit No. 882 of 2000 ("Delhi Suit") was filed in May 2000 by Respondent no. 4 against the Petitioner seeking action for infringement of trade mark and passing off. On 29th October, 2013, the Rectification Application was filed by Respondent no. 4 before IPAB and immediately on the very next day i.e. on 30th October 2013, Respondent no.4 filed an application in the Delhi Suit seeking stay of the suit pending in Delhi Court as provided under Section 124 of the said Act. Vide order dated 8th April 2015, the Delhi High Court stayed the said suit awaiting decision of the IPAB in the said Rectification Application. He submitted that once the order is passed staying the Suit, all the necessary requirements in Section 124(1)(b)(ii) were subsumed in it. He submitted that the Delhi High Court was satisfied that the Respondent No. 4's plea about invalidity of the Petitioner's impugned registration was prima facie tenable and therefore it stayed the Delhi Suit. The order of Delhi High Court dated 8th April 2015 was never challenged by the Petitioner and the same has attained finality. Thus, now the Petitioner cannot raise an objection that the IPAB was not in seisin of the matter. He relied on the decision in the matter of *Arun Chopra Vs. Kaka-Ka Dhaba* (2019) 80 PTC 540 (Page 17). The learned Senior Counsel submitted that in the case of *Arun Chopra* (supra) wherein Delhi High Court had allowed such application for stay of the Suit much subsequent to the Plaintiff filing the rectification application before the IPAB without any specific permission or leave.

(vi) Alternatively, it is submitted by the learned Senior Counsel that the Respondent no.4 in any event, could have filed subject Rectification Application before the IPAB under Section 57 of the Act independent of the said suit. Section

124(1) of the Act provides that only when in the suit an issue of invalidity of the registration of a party's trade mark is raised, the procedure contemplated under Section 124 (1)(b)(ii) of requiring the Court's satisfaction as regards the prima facie tenability of such contention can arise. He submitted that when no such issue is raised in the suit, this procedure/requirement is not attracted at all. He submitted that the said suit was filed in the year 2000 and on the day when said suit was filed, there was no registration of the Petitioner's impugned mark. The Petitioner filed an application on 28th January 1999 and the same was allowed on 12th December 2005 and therefore actually and factually there was no registration of the Petitioner's impugned mark, when the said suit was filed in or about May 2000. Therefore, there was no question of Respondent no. 4 applying to the Court for recording satisfaction regarding prima facie tenability of the challenge to such registration. He submitted that in *Patel Field Marshal Agencies (supra)*, the Hon'ble Supreme Court has in paragraphs 28, 31 and 34 observed that only when in the suit before the civil court, the issue of invalidity of the registration of a trade mark has been raised, the provision of Section 124(1)(b) (ii) of the 1999 Act, requiring the satisfaction of the court as regards prima facie tenability of such contention, come into play and not otherwise. Further, in paragraphs 31 and 34, the Hon'ble Supreme Court has observed that where the issue of invalidity is raised or arises independent of a suit, the IPAB will be the sole authority to deal with the matter; and thus, reliance of the Petitioner on *Patel Field Marshal Agencies (supra)* is misplaced.

(vii) The learned Senior Counsel submitted that the defence of honest concurrent user is based on Section 12 of the 1999 Act which gives power to the Registrar to register two identical or similar trade marks provided there is an honest concurrent user or there are some other special circumstances. The invocation of Section 12 by the Petitioner constitutes an admission that its impugned mark OFLOMAC is deceptively similar to Respondent No. 4's prior registered trade mark OFRAMAX. Such adoption of a mark, which the Petitioner admits and accepts is deceptively similar to Respondent No.4's prior registered mark (registered 10 years earlier), cannot be said to be the honest concurrent user. He submitted that the Petitioner has not truly carried out a proper and bonafide search to ascertain presence of Respondent no. 4's registration as of 30th August 1989. He submitted that the Petitioner's adoption and use of impugned mark is not honest. It is submitted that to secure the bonafides of honest concurrent user, the Petitioner's use of the impugned mark must be for a period prior to its date of application for registration of the impugned mark. On 28th January 1999, the Petitioner's application for registration was filed on "proposed to be used" basis. Thus, the impugned mark had not been used by the Petitioner at all on 28th January 1999. Therefore, there is no question of invocation of Section 12 of the said 1999 Act for justifying the registration. He relied on the Case of *Charak Pharmaceutical Vs. M.J. Exports Pvt. Ltd* 1992 SCC Online Bom 534: (1993) 13 PTC 309.

(viii) It is submitted that as it has been held that the impugned mark is

deceptively similar to Respondent no. 4's trade mark and therefore other submissions are of no significance. To substantiate said contentions, the learned Senior Counsel relied on following decisions: Cadila Pharmaceuticals Ltd. Vs. Sami Khatib (2011) 3 Bom CR 587, Laxmikant Patel Vs. Chetanbhai Shah AIR 2022 SC 275 (para 13), Bal Pharma Ltd. Vs. Centaur Laboratories Pvt. Ltd. 2001 SCC Online Bom 1176 : (2002) 24 PTC 226 (para 9), Schering Corporation & Ors. Vs. Kilitch Co. (Pharma) Pvt. Ltd. 1990 SCC OnLine Bom 425 (para 19).

(ix) The learned Senior Counsel appearing for Respondent No.4 submitted that in Rectification proceeding what is relevant is that there is already a mark registered prior to the registration of the impugned mark. In Rectification proceeding, the Tribunal is called upon to cancel the registration of the impugned trade mark by deciding the question as to who is the true and lawful proprietor of the trade mark. If the impugned mark is similar to a prior registered mark, the impugned mark cannot be registered or continued to remain in the Register and its registration must be cancelled. It is submitted that the Petitioner's impugned mark OFLOMAC is deceptively similar to the Respondent No. 4's trade mark OFRAMAX on account of overall structural and visual similarity. It is correctly held by IPAB that the rival marks are similar. It is submitted that rival marks OFRAMAX and OFLOMAC are phonetically deceptively similar. It is submitted that the difference will not be sufficient to avert likelihood of confusion on account of phonetic similarity along with the margin to be kept in imperfect pronunciation and imperfect recollection in a multilingual society such as India. To substantiate aforesaid contentions, reliance is placed on following judgments: Cadila Pharmaceuticals Ltd. V. Sami Khatib (Supra) Hiralal Parbhudas Vs. Ganesh Trading Company & Ors. AIR 1984 BOM 218, Boots Company Plc, England & Ors. Vs. Registrar of Trade Marks, Mumbai & Ors. 2002 (2) MLJ 834 , Win-Medicare Pvt. Ltd. Vs. Galpha Laboratories Ltd & Ors. 2016 (65) PTC 506 (Del) , Sun Pharma Laboratories Ltd. Vs. The Madras Pharmaceutical & Ors.14., Medley Laboratories (P) Ltd. Mumbai & Ors. Vs. Alkem Laboratories Ltd. 2002 (4) Bom CR 70.

(x) It is submitted that the Petitioner's reliance on Section 12 of the 1999 Act and contention raised about honest concurrent user of the impugned mark cannot be accepted as the rival marks are identical or similar and are used in respect of the same or similar goods and particularly in medicinal/pharmaceutical production.

(xi) It is submitted that as per the settled legal position in matters concerning trade marks relating to medicinal/ pharmaceutical products, strict approach is necessary. It is submitted that this is not only a case of similarity of trade marks but also identity or similarity of goods. The goods are medicinal/ pharmaceutical products in respect of which, a very strict test must be applied, to judge similarity of trade marks. It is submitted that a stricter test for likelihood of confusion is required to be applied in cases of pharmaceutical trade marks. To substantiate aforesaid contentions, reliance is placed on following judgments:

Cadila Healthcare Ltd. V. Cadila Pharma-ceuticals Ltd (2001) 5 SCC 73., Amritdhara Pharmacy V. Satyadeo Gupta. AIR 1963 SC 449, Corn Products Vs. Shangri-la Corporation AIR 1960 SC 142, Kaviraj Pandit Durga Dutt Sharma V.Navaratna Pharmaceuticals Labs AIR 1965 SC 980, Milment Oftho Industries Vs. Allegran Inc. 2004 (28) PTC 585 (SC).

(xii) It is submitted that the Petitioner's impugned registration for the impugned mark OFLOMAC is in violation of Sections 9, 11(1), 11(2) & 11(3) and 12 of the 1999 Act.

(xiii) It is submitted that there is no substance in the contention raised by the Petitioner regarding limitation. It is submitted that the Limitation Act is inapplicable to rectification proceedings before the IPAB, the IPAB being a quasi-judicial body/ Tribunal. Learned Senior Counsel to substantiate said contention has placed reliance on the following judgments:

Crc Industries Vs. Danmet Chemicals (P) Ltd. 2008 (37) PTC 668 (IPAB Circuit Bench at Mumbai),

M.P. Steel Corporation Vs. Commissioner of Central Excise (2015) 7 SCC 58,

Sakaru Vs. Tanaji AIR 1985 SC 1279.,

(xiv) As far as several decisions relied on behalf of the Petitioner regarding similar marks even in medicinal preparations, it is submitted that none of the decisions relied upon on behalf of the Petitioner are applicable to the facts of the present case. Reliance is also placed on an illustrative list of cases wherein rival marks have been held to be deceptively similar.

(xv) It is submitted that the Petitioner's contention qua Respondent no. 4 abandoning its plea of invalidity is also unfounded and merit-less. It is submitted that a plain reading of Section 124 as also the principles laid down in Patel Field Marshal Agencies (supra) make it evident that the question of abandoning the plea of invalidity would not arise in a situation, such as in the present case, where the subject Rectification Application was admittedly filed and only the procedure under Section 124(1)(b) (ii) of the 1999 Act was allegedly not followed. It is further submitted that it is a settled principle of law that for abandonment or waiver of a right, firstly some distinct and positive act ought to be done to constitute a waiver, it must be intentional and it must be with knowledge. It is submitted that still there must be an unambiguous representation arising as the result of a positive and intentional act done by the party granting the concession with knowledge of all the material circumstances and the party to whom the concession is granted must have acted in reliance of the concession. All these elements are completely missing in the present case and there is no question of the Respondent no. 4 having waived or abandoned its plea of invalidity.

SUBMISSIONS OF RESPONDENT NO.1- UNION OF INDIA:-

8. Mr. Rajesh Singh a/w Ms. Karina Xavier supported the impugned order.

POINTS FOR CONSIDERATION :

9. In view of above submissions of the parties, followings points arise for consideration:-

(I) Whether the impugned trade mark of the Petitioner is of such a nature as to deceive the public or cause confusion with respect to the trade mark of the Respondent no. 4 as envisaged under Section 9(2)(a) and Section 11(1) (b) of the said 1999 Act?

(II) Whether Rectification Application filed by Respondent no. 4 is within limitation?

(III) Whether the application filed under Section 57 of the said 1999 Act before IPAB for removal of registration of the Petitioner's trade mark is maintainable or could have been decided by IPAB in view of the pendency of said Delhi Suit?

(IV) Whether IPAB never came in seisin of the rectification application filed by Respondent no. 4 as Respondent no. 4 never raised plea of invalidity by filing application under Section 124(1)(b)(ii) of the said 1999 Act in pending Delhi Suit?

(V) Whether actual use of the Petitioner's mark is prior in point of time and/or honest and concurrent user and therefore entitled for protection under Section 34 and/or Section 12 of the said 1999 Act?

(VI) Whether interference in the impugned order is warranted under the jurisdiction of this Court under Articles 226 and 227 of the Constitution of India?

RELEVANT FACTUAL ASPECTS :-

10. Before dealing with the above points, it is necessary to set out relevant factual aspects :

(i) 30th August 1989 :

The Respondent No. 4 filed application to obtain registration of the mark OFRAMAX under application No. 515962 in Class 5 ("Pharmaceutical products for human and veterinary use"). The Application is under the category of "Proposed to be used" basis.

(ii) July 1991 :

As per the contention of the Respondent No. 4, use of the mark started.

(iii) 13th May 1994 :

Certificate No. 194091 of registration of trade mark "OFRAMAX" issued in favour of the Respondent No.4.

(iv) 28th January 1999 :

The Petitioner filed an application to obtain registration of the mark "OFLOMAC" under Application No.838726 in Class 5 ("Medicinal and pharmaceutical preparations")

(v) April 1999 :

It is the contention of the Petitioner that the Petitioner commenced use of the Impugned Mark in the course of the trade.

(vi) 8th May 2000 :

Respondent no.4 filed civil suit alleging trade mark infringement and passing off, against the Petitioner before the Hon'ble Delhi High Court being suit no. CS (Comm.) 645/2018 (earlier being CS (OS) 887/2000) ("Delhi Suit"). Till date there is no order of injunction in the said suit against the Petitioner.

(vii) 30th March 2005 :

The Petitioner's trade mark application for the Impugned Mark was advertised in Journal no. 1328-5, dated 30.03.2005. However, no opposition was filed by Respondent No.4 against the said trade mark application.

(viii) 12th December 2005 :

Certificate No. 484841 of registration of the impugned Mark "OFLOMAC" issued in favour of the Petitioner.

(ix) 14th January 2008 :

The Petitioner filed a detailed Written Statement in the suit pending before the Delhi High Court, specifically including a pleading regarding the trade mark registration obtained by it for the mark OFLOMAC.

(x) 29th April 2008 :

Issues were framed in the suit before the Delhi High Court. Pertinently, issues of infringement and passing off were framed.

(xi) 29th July 2011 :

On an application filed by the Petitioner, the issue with respect to trade mark infringement, with the consent of both parties, was struck off.

(xii) 29th October 2013 :

Respondent no. 4 filed a rectification petition, seeking cancellation of the Petitioner's trade mark registration of the impugned mark OFLOMAC.

It is the contention of the Petitioner that no order/permission, as envisaged under Section 124 of the 1999 Act was obtained by Respondent No. 4 prior to filing the rectification petition. The application seeking stay of the suit was filed after filing of the rectification petition.

(xiii) 30th October 2013 :

Application bearing IA No. 17530/2013 was filed by Respondent No. 4 in the Delhi High Court suit inter alia seeking stay of the suit, awaiting the outcome of the rectification petition filed by it before the IPAB.

(xiv) 8th April 2015 :

The civil suit filed by Respondent No. 4 was stayed by the Hon'ble Delhi High Court, awaiting the outcome of the rectification petition filed in 2013.

(xv) 30th December 2020 :

IPAB allowed rectification application filed by the Respondent No.4 and directed deletion of mark OFLOMAC of the Petitioner.

(xvi) 15th February 2021 :

By the present Writ Petition filed on 15th February 2021 said decision dated 30th December 2020 of the IPAB is challenged.

11. Hereinafter we will deal with the above referred points which arise for consideration:-

(I) POINT NO.1 :

Whether the impugned trade mark of the Petitioner is of such a nature as to deceive the public or cause confusion with respect to the trade mark of the Respondent no. 4 as envisaged under Section 9(2)

(a) and Section 11(1) (b) of the said 1999 Act?

12. Before dealing with this point, it is necessary to set out details of the trade mark of the Petitioner and Respondent no. 4.

Respondent no. 4's Trade Mark

Petitioner's Impugned Mark

Trade Mark :

OFRAMAX

OFLOMAC

Application No. & Date

515962

30/08/1989

Proposed to be used

838726

28/01/1999

Proposed to be used

Class

and goods:

5

Pharmaceutical products for human and veterinary use

5

Medicinal and pharmaceutical preparations.

Certificate details:

Certificate No.194091 dated 13/05/1994

Certificate No.484841 dated 12/12/2005

Use since :

July 1991

As per the case of Respondent No.4.

April 1999

As per the case of Petitioner

13. Before discussing further, it will be appropriate to set out relevant provisions of the said 1999 Act.

(i) Section 9 is regarding absolute grounds for refusal of registration. Section 9(2) (a) of the said 1999 Act is relevant and reads as under:

"9. Absolute grounds for refusal of registration:

(2) A mark shall not be registered as a trade mark if--

(a) it is of such nature as to deceive the public or cause confusion.

(ii) The relevant portion of Section 11 reads as under :

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.

(2) A trade mark which--

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor,

shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3)

(4)

Explanation.-- For the purposes of this section, earlier trade mark means--

[(a) 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;]

(b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.

(Emphasis added)

14. The Supreme Court in the decision of Cadila Healthcare Ltd V. Cadila Pharmaceuticals Ltd.(supra), considered the relevant factors to be taken into consideration while considering the question of deceptive similarity. It is to be noted that the said case was relating to action for passing off on the basis of unregistered trade mark, however, the said principles will apply to the present case, as inter-alia it is to be decided whether the trade mark of the Petitioner is of such a nature as to deceive the public or cause confusion with respect to the said trade mark of the Respondent No.4. The relevant portion of paragraph 35 of the said decision reads as under:

"35. Broadly stated in an action for passing off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity, the following factors to be considered:

(a) the nature of the marks, i.e. whether the marks are word marks or label marks or a composite marks, i.e. both words and label works.

(b) The degree of resemblance between the marks, phonetically similar and hence similar in idea,

(c) The nature of the goods, in respect of which they are used as trade marks,

(d) The similarity in the nature, character and performance of the goods of the

rival traders.

(e) The class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and/or using the goods

(f) The mode of purchasing the goods or placing orders for the goods, and

(g) Any other surrounding circumstances which may be relevant in the extent of dissimilarity between the competing marks."

15. In *Cadila Health Care Limited V. Cadila Pharmaceuticals Ltd.*(supra), the Supreme Court indicated the approach to determine the question of confusing similarity in the case of trade marks used in respect of medicinal products. The relevant discussion is found in paragraph 28 to 33, which reads as under:

"28. Here, it will be useful to refer to the decision of *Morgenstern Chemical Co.* case where it has been held as under:

"(5) In the field of medical products, it is particularly important that great care be taken to prevent any possibility of confusion in the use of trade marks. The test as to whether or not there is confusing similarity in these products even if prescribed and dispensed only by professionally trained individuals does not hinge on whether or not the medicines are designed for similar ailments. The rule enunciated by Judge Helen in *Cole Chemical Co. Vs. Cole Laboratories* is applicable here:

'The Plaintiff and defendant are engaged in the sale of medical preparations. They are for ultimate human consumption or use. *** They are particularly all for ailments of the human body. Confusion in such products can have serious consequences for the patient. Confusion in medicines must be avoided.

* * *

Prevention of confusion and mistakes in medicines is too vital to be trifled with.'

The observations made by Assistant Commissioner Leeds of the Patent Office in *R.J. Strassenburgh Co. V. Kenwood Laboratories, Inc.* USPQ 380 are particularly apt, that:

'Physicians are not immune from confusion or mistake. Furthermore it is common knowledge that many prescriptions are telephoned to the pharmacists and others are handwritten, and frequently handwriting is not unmistakably legible. These facts enhance the chances of confusion or mistake by the pharmacists in filling the prescription if the marks appear too much alike when handwritten or sound too much alike when pronounced.'

The defendant concedes that physicians and pharmacists are not infallible but urges that the members of these professions are carefully trained to detect difference in the characteristics of pharmaceutical products. While this is doubtless true to dos (sic) not open the door to the adoption by manufacturers of

medicines of trade marks or names which would be confusingly similar to anyone not exercising such great care. For physicians and pharmacists are human and in common with the rest of mankind are subject to human frailties. In the field of medicinal remedies the courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such confusion in the case of medicines public policy requires that the use of the confusingly similar name be enjoined (See *Lambert Pharmacol Ltd. Vs. Bolton Chemical Corporation*).

29. In the book titled as *McCarthy on Trade Marks*, it is observed in the footnote at page 23-70 as under:

"Physicians and Pharmacists are knowled-geable in their fields does not mean they are equally knowledgeable as to marks and immune from mistaking one mark from another. (*Schering Corp Vs. Alza Corp*)

30. In the case of *Syntex Laboratories Inc. Vs. Norwich Pharmacal Co.* reported in 169 USPQ 1(2nd Cir. 1971), it is observed as under:

"Stricter standard in order to prevent likelihood of confusion is desirable where involved trade marks are applied to different prescribed pharmaceutical products and where confusion could result in physical harm to consuming public."

31. Trade mark is essentially adopted to advertise one's product and to make it known to the purchaser. It attempts to portray the nature and, if possible, the quality of the product and over a period of time the mark may become popular. It is usually at that stage that other people are tempted to pass off their products as that of the original owner of the mark. That is why it is said that in a passing-off action, the plaintiff's right is "against the conduct of the defendant which leads to or is intended or calculated to lead to deception. Passing-off is said to be a species of unfair trade competition or of actionable unfair trading by which one person, through deception, attempts to obtain an economic benefit of the reputation which another has established for himself in a particular trade or business. The action is regarded as an action for deceit." [See *Wander Ltd. V. Antox India (P) Ltd.*, SCC p.734, para 16.]

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, nor 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 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."

33. The decisions of English courts would be relevant in a country where literacy is high and the marks used are in the language which the purchaser can understand. While English cases may be relevant in understanding the essential features of trade mark law but when we are dealing with the sale of consumer items in India, you have to see and bear in mind the difference in situation between England and India. Can English principles apply in their entirety in India with no regard to Indian conditions? We think not. In a country like India where there is no single common language, a large percentage of population is illiterate and a small fraction of people know English, then to apply the principles of English law regarding dissimilarity of the marks or the customer knowing about the distinguishing characteristics of the plaintiff's goods seems to overlook the ground realities in India. While examining such cases in India, what has to be kept in mind is the purchaser of such goods in India who may have absolutely no knowledge of English language or of the language in which the trade mark is written and to whom different words with slight difference in spellings may sound phonetically the same. While dealing with cases relating to passing off, one of the important tests which has to be applied in each case is whether the misrepresentation made by the defendant is of such a nature as is likely to cause an ordinary consumer to confuse one product for another due to similarity of marks and other surrounding factors. What is likely to cause confusion would vary from case to case. However, the appellants are right in contending that where medicinal products are involved, the test to be applied for adjudging the violation of trade mark law may not be on a par with cases involving non-medicinal products. A stricter approach should be adopted while applying the test to judge the possibility of confusion of one medicinal product for another by the consumer. While confusion in the case of non-medicinal products may only cause economic loss to the plaintiff, confusion between the two medicinal products may have disastrous effects on health and in some cases life itself. Stringent measures should be adopted specially where medicines are the medicines of last resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of the product itself could have dire effects on the public health."

(Emphasis added)

16. In *Mahendra and Mahendra Paper Mills Ltd v. Mahindra & Mahindra Ltd*. AIR

2002 SC 117 , the Supreme Court held that the question whether two competing marks are so similar as to be likely to deceive or cause confusion is one of first impression and it is for the court to decide it. The question has to be approached from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity of the two marks Gluvita and Glucovita is likely to deceive or to cause confusion. In deciding whether two marks are so similar as to be likely to deceive or cause confusion the similarity of idea is a relevant consideration.

17. The Division Bench of this Court in the judgment in the matter of Ciba Ltd. v. M. Ramalingam (supra), held that in the case where the question is whether a particular trademark is likely to deceive or cause confusion, held primary duty of the

Court is towards the public and the maintenance of the purity of the register. It is essential that the register should not contain trademarks which are identical or which so closely resemble each other that an unwary purchaser may be likely to be deceived. The relevant discussion is to be found in paragraphs 3 and 8.

"3. Now, in considering both Section 46 and Section 10 it has got to be remembered that the primary duty of the Court is towards the public and the maintenance of the purity of the register. When a case is sought to be made out that a particular trade mark is likely to deceive or cause confusion, the contest is not so much between the parties to the litigation as it is a contest between the party defending his right to a particular trade mark and the public, and the duty of the Court must always be to protect the public irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion. The object of maintaining a trade mark register is that the public should know whose goods they are buying and with whom particular goods are associated. It is therefore essential that the register should not contain trade marks which are identical or which so closely resemble each other that an unwary purchaser may be likely to be deceived by thinking that he is buying the goods of a particular person or a particular firm or a particular industry, whereas he is buying the goods at another person or firm or industry."

"8. The learned Judge in coming to the conclusion that he did has attached great importance to the evidence given by the respondents of user of their goods. In doing so, the learned Judge overlooked the fact that if he was considering a case falling under Section 10, the evidence of user was entirely irrelevant. The only test that has to be applied when the Court is considering a case falling under Section 10 is the test of identity or resemblance. Even if the respondents could establish a long user and if the appellants could establish no user at all, if there was resemblance between the mark of the appellants and the respondents and if there was a likelihood of deception and if the appellants were first in the field and had their trade mark registered, then the respondents' trade mark could not be registered. The learned Judge has also taken into consideration the fact that although the respondents had proved large sales of their article, the appellants

had failed to prove any case of actual deception. Here again, with very great respect to the learned Judge, he was in error because the approach under Section 10 is not the same as in a passing off action. As the authorities have said, it is not for a witness or a large number of witnesses to tell the Court whether there is likelihood of deception. The Court cannot abdicate its own function which is to decide on looking at the two trade marks and on considering them phonetically whether they resemble each other and whether there is likelihood of deception. That function cannot be discharged by a person in the witness-box. It is true that the absence of any evidence of deception may be a material fact which the Court may take into consideration but if the resemblance between the two marks is clear and obvious, then it is the duty of the Court to remove from the register a mark which is likely to cause deception. Mr. Justice Chitty in *In re, Hill's Trade Mark*, (1893) 10 RPC 113 (B), emphatically stated: "I state my opinion that directly it is apparent that if any part of a trade mark is calculated to deceive it is the duty of the Court to order it to be removed."

(Emphasis added)

18. The Delhi High Court in the case of *Ranbaxy Laboratories Ltd. Vs. Dua Pharmaceuticals Pvt. Ltd.* AIR 1989 Delhi 44, considered the argument that medicines can only be sold on the doctor's prescription and held that test to be adopted is not the knowledge of the doctor who is giving the prescription, but whether the unwary customer going to purchase the medicine can make a mistake. The relevant discussion in paragraph 6 reads as under:

"(6) It was then contended by the learned counsel for the defendant that the said medicines can only be sold on the doctor's prescription and, therefore, there can be little likelihood of confusion. It is true that the said drugs are supposed to be sold on doctor's prescription, but it is not unknown that the same are also available across the counters in the shops of various chemists. It is also not unknown that the chemists who may not have "CALMPOSE" may pass off the medicine "CALMPROSE" to an unwary purchaser as the medicine prepared by the plaintiff. The test to be adopted is not the knowledge of the doctor, who is giving the prescription. The test to be adopted is whether the unwary customer, who goes to purchase the medicine can make a mistake."

(Emphasis added)

19. The Bombay High Court in *Hiralal Parbhudas Vs. Ganesh Trading Company and Ors.* (supra), was inter-alia considering the challenge to order passed by the Deputy Registrar of Trade Marks rejecting the appellant's application for rectification of the register. After analysing the case law on the subject, this Court in paragraph 5 set out various factors to be taken into consideration while dealing with the application for rectification of the register. The said paragraph 5 reads as under:

"5. What emerges from these authorities is (a) what is the main idea or salient features, (b) marks are remembered by general impressions or by some

significant detail rather than by a photographic recollection of the whole, (c) overall similarity is the touchstone, (d) marks must be looked at from the view and first impression of a person of average intelligence and imperfect recollection, (e) overall structure phonetic similarity and similarity of idea are important and both visual and phonetic tests must be applied, (f) the purchaser must not be put in a state of wonderment, (g) marks must be compared as a whole, microscopic examination being impermissible, (h) the broad and salient features must be considered for which the marks must not be placed side by side to find out differences in design and (I) overall similarity is sufficient. In addition indisputably must also be taken into consideration the nature of the commodity, the class of purchasers, the mode of purchase and other surrounding circumstances."

(Emphasis added)

20. This Court in the decision of Boots Company Plc, England and Ors. (supra) after considering various judgments held that there are three tests which have to be considered for deciding the question whether the trade mark is deceptively similar to the other mark or not and they are:-

- (1) The mark has to be considered as a whole,
- (2) It is a question of first impression and
- (3) The question has to be considered from the view point of a man of average intelligence.

21. The Delhi High Court in Win-Medicare Pvt. Ltd. (supra) after considering the relevant decisions on the question of mis-representation or deception between two trade marks held that following Rules of Comparison can be culled out from various pronouncements of the Courts from time to time:

- I. Meticulous Comparison not the correct way.
- II. Mark must be compared as a whole
- III. First Impression.
- IV. Prima Facie view not conclusive.
- V. Structural Resemblance.
- VI. Similarity in Idea to be considered.

22. The Supreme Court in the decision between Milment Oftho Industries & Ors. (supra) after reviewing the law on the subject held as follows:

"8. In respect of medicinal products it was held that exacting judicial scrutiny is required if there was 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. It was held that even though certain products may

not be sold across the counter, nevertheless it was not uncommon that because of lack of competence or otherwise that mistakes arise specially where the trade marks are deceptively similar. It was held that confusion and mistakes could arise even for prescription drugs where the similar goods are marketed under marks which looked alike and sound alike. It was held that physicians are not immune from confusion or mistake. It was held that it was common knowledge that many prescriptions are telephoned to the pharmacists and others are handwritten, and frequently the handwriting is not legible. It was held that these facts enhance the chances of confusion or mistake by the pharmacists in filling the prescription if the marks appear too much alike.

(Emphasis added)

23. The Delhi High Court in *Novartis AG Vs. Crest Pharma Pvt. Ltd. & Anr.* 2009 (41) PTC 57 (Del.), considered the submissions that two products are different and used for different purposes of disease and that one product is available only in tablet and oral suspension form whereas another product is available only in injection form and therefore there is no confusion or deception between the two products. The Delhi High Court held that:-

"20. The second contention of the defendant is that the plaintiff's drug is prescribed for urinary respiratory track infection and acute otitis media whereas the defendant's product being an antibiotic is prescribed mostly for post operative cases and the ingredients of the two products are also different and used for different purposes of disease. The defendant has also contended that the plaintiff's product is used in tablet and oral suspension form whereas the defendant's product is only available in injection form, therefore, there is no confusion and deception between the two products in question.

21. I do not accept the submission of the learned counsel for the defendant as I feel that it is more dangerous if the pharmaceuticals products bearing the same mark is used for different purposes for the same ailment or even otherwise. I also do not accept the contention of the defendant's counsel that there would be no confusion if the product contain different ingredients/different salt. In my opinion, it is more dangerous and harmful in the trade if the same trade mark is used for different ailments. The Apex court has already dealt with this proposition of law in the case of *Cadila Healthcare Ltd. Vs. Cadila Pharmaceuticals*, (2001) 5 SCC 73 and held as under:

"25. The drugs have a marked difference in the compositions with completely different side effects, the test should be applied strictly as the possibility of harm resulting from any kind of confusion by the consumer can have unpleasant if not disastrous results. The courts need to be particularly vigilant where the defendant's drug, of which passing off is alleged, is meant for curing the same ailment as the plaintiff's medicine but the compositions are different. The confusion is more likely in such cases and the incorrect intake of medicine may even result in loss of life or other serious health problems. In this regard,

reference may usefully be made to the case of Glenwood Laboratories, Inc. Vs. American Home Products Corp. 173 USPQ 19(1972) 455 F.Reports 2d, 1384(1972), where it was held as under:

"The products of the parties are medicinal and applicant's product is contraindicated for the disease for which 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."

22. The other argument of the counsel for the defendant that the plaintiff's product is available in tablets and oral suspension form and the defendant's product is available in injection form has also no force as it has been seen from experience of the pharmaceuticals products available in all over the world that most of the companies are making pharmaceuticals products in both the forms i.e. tablets as well as in injection form under the same trade mark. As per well settled law, the actual confusion and deception is not required in order to prove the case of passing off even if the defendant has adopted the mark innocently and the court comes to the conclusion that the two trade marks are deceptively similar, injunction under the said circumstances has to be granted. Actual deception is not required in an action of passing off. Century Traders vs. Roshan Lal Duggar & Co., AIR 1978 (Del) 250. Therefore there is no chance of confusion and deception.

(Emphasis added)

24. The principles which are emerging from the decisions set out hereinabove are summarised in the following manner:

(a) When a particular medicinal or a pharmaceutical product is involved as the impugned trade mark which may deceive the public or cause a confusion with respect to another trademark, it is the Court's primary duty to take utmost care to prevent any such possibility of confusion in the use of trademarks.

(b) Confusion in case of a non-medicinal or a non-pharmaceutical product may only cause economic loss to the person, but on the other hand, a confusion in terms of medicinal or a pharmaceutical product may have disastrous effect on the health. Hence, it is proper to require a lesser quantum of proof of confusing similarity for such products.

(c) The Court may not speculate as to whether there is a probability of confusion between the marks. Mere existence of the slightest probability of confusion in case of medicinal product marks, requires that the use of such mark be restrained.

(d) While arriving at a conclusion with respect to the similarity and confusion between medicinal products, the same should be examined from the point of view of an ordinary common man of average intelligence instead of that of a

specialised medicinal practitioner. Courts must decide the same from the view point of man with average intelligence considering multiple factors such as the first impression of the mark, salient features of both the products, nature of the commodity, overall similarity and the possibility of the same creating a confusion amongst the public at large.

(e) The primary duty of the Court is towards the public and the purity of the register. Duty of the Court must always be to protect the public irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion.

(f) The following rules of comparison can be culled out from various pronouncement of Court from time to time.

(i) Meticulous comparison is not the correct way.

(ii) Mark must be compared as whole.

(iii) First impression.

(iv) Prima facie view is not conclusive.

(v) Structural resemblance.

(vi) Similarity in idea to be considered.

(g) The main object of maintaining trade mark register is that the public should know whose goods they are buying. It is therefore essential that the register should not contain the trade mark which is identical by which purchaser may likely to be deceived by thinking that they are buying the goods of a particular company/industry whereas he is buying the goods of another company/industry.

It is necessary to consider the factual aspects of this case in the light of the above principles.

25. To apply the above principles to the present case, it is necessary to set out necessary factual position to compare the mark of the Petitioner with that of the Respondent No.4.

COMPARATIVE ANALYSIS

Respondent No.4's product

Petitioner's product

Trade Mark

OFRAMAX

OFLOMAC

Formulation

Ceftriaxone

Ofloxacin

Dosage Form

Injection dosage form/ available in vials

Tablets dosage form

Method of use

Intramuscular and intravenous use

Oral

Indications

Prescribed for severe medical indications amongst hospitalized patients and perioperative prophylaxis patients for respiratory tract infections, meningitis, pediatric infections and soft tissue infections

Enteric respiratory

tract infections, meningitis, gram negative bacterial infections, infections of tissues and skin, infections of bones and joints, abdominal

infections including pelvis inflammation, infections of kidney, UT, genital organs and gonorrhea.

Products Packaging

Strengths

250mg, 500mg. and 1g.

100mg, 200mg, 300

mg. and 400mg.

Schedule H

Yes

Yes

26. The IPAB discussed the factors that would result in confusion and deception and after analysing the same, it is observed that competing marks of the Petitioner and the Respondent No.4 are phonetically deceptively similar and margin has to be given for imperfect or slurred pronunciation of the marks. In paragraph 28 of the impugned order of IPAB, the factors that would result in confusion and deception between the mark of the Petitioner and that of the Respondent No.4 are set out. The said paragraph 28 reads as under:

"28. The factor that would result in confusion and deception are:

- The competing marks i.e. OFRAMAX and OFLOMAC comprises of same number

of letters i.e. total 7 letters.

- The competing marks comprises of the same sounding prefix starting with the same letters being "OF".
- The substitution of the letter "X" with a soft consonant "C" does not change the overall sounding effect of the suffix "MAC" in OFLOMAC.
- The marks end with the syllable "MAX" and "MAC" respectively, and the pronunciation of both the endings is almost identical i.e. Maks and Mak;
- The middle syllables in both the marks, being "RA" and "LO" are likely to be slurred over. The difference will not be sufficient to avert likelihood of confusion on account of phonetic similarity along with margin to be kept for imperfect pronunciation and imperfect recollection in multilingual society in India."

Therefore, such substitution of letters will not be sufficient to avert likelihood of confusion on account of phonetic similarity along with margin to be kept for imperfect pronunciation and imperfect recollection in multilingual society in India."

(Emphasis added)

We are in complete agreement with the above conclusions recorded by IPAB. If the above conclusions are examined on the touchstone of various principles culled out from various decisions as summarised above and comparison of the marks of the Petitioner and the Respondent No.4, then it is clear that the conclusions recorded by the IPAB are proper and legal and recorded by applying the established principles to the same. It is settled legal position that when a particular medicinal or a pharmaceutical product is involved as the impugned trade mark which may deceive the public or cause a confusion with respect to another trademark, it is the Court's primary duty to take utmost care to prevent any such possibility of confusion in the use of trademarks. The Court may not speculate as to whether there is a probability of confusion between the marks. Mere existence of the slightest probability of confusion in case of medicinal product marks, requires that the use of such mark be restrained. Confusion in case of a non-medicinal or a non- pharmaceutical product may only cause economic loss to the person, but on the other hand, a confusion in terms of medicinal or a pharmaceutical product may have disastrous effect on the health. Hence, it is proper to require a lesser quantum of proof of confusing similarity for such products.

27. It is required to be noted that the impugned order dated 30th December 2020 was delivered by Bench of IPAB consisting of the Chairman and two Technical Members. It is settled legal position that the judgment of expert body/ Tribunal should not be interfered lightly. In this case, the IPAB has taken into consideration various factors to arrive at the conclusion that the competing marks are phonetically deceptively similar and there is possibility of confusion and deception. Therefore, Section 9 (2)(a) and Section 11(1)(b) of the said Act

are squarely applicable to the Petitioner's trade mark.

28. Mr. Kirpekar, learned Counsel appearing for the Petitioner submitted that IPAB completely overlooked the fact that there is no confusion or deception amongst the trade and public as well as medical practitioners as both the marks have been independently existing for more than 20 years and there hasn't been any event of any confusion. He submitted that the Petitioner's mark "OFLOMAC" is used for "Oxfloxacin" tablets and Respondent no. 4's mark "OFRAMAX" is used for specialized injections that are administered by the specialised doctors only and can not cause any confusion in market. Hence, there is no possibility of confusion and/or public interest as contended by the Respondent no. 4. Even doctors have certified that there is no confusion about the rival products of the Petitioner and Respondent no.4. We have already set out settled legal position that in case of medicinal / pharmaceutical products, the Courts should apply a stricter test. It is settled position that while arriving at a conclusion with respect to the similarity and confusion between medicinal products, the same should be examined from the point of view of an ordinary common man of average intelligence instead of that of a specialised medicinal practitioner. Courts must decide the same from the view point of man with average intelligence considering multiple factors such as the first impression of the mark, salient features of both the products, nature of the commodity, overall similarity and the possibility of the same creating a confusion amongst the public at large. We have already set out the reasoning given by the Tribunal to arrive at conclusion that competing marks of the Petitioner and Respondent No. 4 are phonetically deceptively similar and there is possibility of confusion and deception. The said conclusion is proper and legal. The IPAB has given valid reasons for coming to the said conclusion and the said reasons are borne out from the material on record and therefore it cannot be said that said conclusion is without any basis.

29. Mr. Kirpekar, learned Counsel appearing for the Petitioner relied on various judgments regarding pharmaceutical products wherein competing marks were held not infringing the respective trade marks in question. Hereinafter we will consider those judgments relied by Mr. Kirpekar.

(a) In *F. Hoffman La Roche & Company v Geoffrey Manners and Company Pvt. Ltd.* 1969 (2) SCC 716, the Supreme Court was considering whether the trade mark "Protovit" of the Appellant was deceptively similar to the trade mark of the Respondent namely "Dropovit". While considering the said deceptive similarity, the Supreme Court inter alia took into consideration the aspect that (a) the terminal syllable 'Vit' in the two marks is both descriptive and common to the trade and (b) last three letters "Vit" is a well known common abbreviation used in the pharmaceutical trade to denote vitamin preparations.

(b) In *Bal Pharma Limited Vs. Wockkhardt Ltd. & Anr.* (Appeal No.498 of 2022) (O.S.), decided on 12th June 2022 by a Division Bench of this Court, the Court was considering competing marks Aziwin and Aziwok. The Division Bench inter alia took into consideration the aspect that apart from the fact that there is no

likelihood of confusion in the two marks, there is no difference in the composition of the two drugs and both products are made of a single ingredient viz. Azithromycin and, therefore, the question of causing any health problem or side effects really does not arise. In that case, this Court was considering similarity in competing trade marks namely Aziwin and Aziwok. This Court observed as under :

"In order to decide whether the word "Aziwin" is deceptively similar to the word "Aziwok", each of the two words must, therefore, be taken as a whole word. Each of them consists of six letters, the first three letters "AZI" being common in both the words. The affidavit of the appellants indicate that various brands of Azithromycin tablets and syrup are marketed by different pharmaceutical companies using the common prefix AZI, which is derived from the generic name of drug and in fact the appellants have given a list of as many as 13 different names of the companies including the parties to the suit who are using the prefix AZI. It is thus apparent that the drug Azithromycin, being the base of these products, the word AZI has been commonly used in describing the product and no one can claim monopoly over the use of the said word. In fact any company producing Azithromycin tablets would be justified in using the said word as prefix to its trade name. The word AZI being both descriptive and common to the trade, the users of such product are not likely to be misguided or confused by the said word. Once it is held that the word "AZI" is common to the trade, then having regard to the un-common letters in these two words namely "wok" and "win" which are totally dissimilar and also having regard to the fact that even phonetically the two words are totally dissimilar, it is difficult to hold that one will be mistaken or confused with the other. There is not even a remote chance of anyone being misguided by the two words....."

(Emphasis added)

(c) In *Astrazeneca UK Limited and Anr. Vs. Orchid Chemicals and Pharmaceuticals Ltd.* ILR (2007) I Delhi 874, the competing marks were "MERONEM Vs. MEROMER". The Division Bench of Delhi High Court inter-alia took into consideration the aspect that admittedly, 'Mero', which is common to both the competing marks, is taken by both the appellants/plaintiffs and the respondent/ defendant from the drug 'Meropenem', taking the prefix 'Mero' which is used as a prefix in both the competing marks. Both the appellants/plaintiffs and the respondent/ defendant are marketing the same molecule 'Meropenem'. Neither the appellants/plaintiffs nor the respondent/ defendant can raise any claim for exclusive user of the aforesaid word 'Meropenem'. The Delhi High Court also took into consideration the aspect that there are a number of such other similar names with the prefix 'Mero' which are in the market. They were also taken notice of by the learned Single Judge while dealing with the injunction application. It has been held in several decisions of the Supreme Court that nobody can claim exclusive right to use any word, abbreviation, or acronym which has become publici juris. In the trade of drugs, it is common practice to

name a drug by the name of the organ or ailment which it treats or the main ingredient of the drug. Such an organ ailment or ingredient being publici juris or generic cannot be owned by anyone exclusively for use as a trade mark.

(d) In the case of Apex Laboratories V. Zuventus Healthcare Ltd. 2006 SCC Online Mad 1238, the competing marks were Zincovit and Zonconia. In that case, the Division Bench of Madras High Court inter alia held that both the medicine preparations contain the alloy 'Zinc' and, therefore, the word 'Zinc' is common to the trade and is publici juris. The appellant cannot claim ownership over the said word. Further, it would be dangerous to split the word into two and grant injunction merely because both the trade names contain the word 'Zinc'.

(e) In the matter of Johann A Wulff V. CIPLA 1983 SCC Online Bom 285, the competing marks were COMPLAMINA and CIPLAMINA and the marks were held to be dissimilar. However, it is to be noted that the said judgment is of 1983 and therefore, there is no question of consideration of the principles in Cadila Healthcare Limited Vs. Cadila Pharmaceuticals Ltd. (supra).

(f) In the case of Medley Pharmaceuticals Ltd. V. Khandelwal Laboratories Ltd. 2005 SCC Online Bom. 1160, the competing marks were CEFO and CEFI. It is the contention of the Plaintiff that sometime in or about December, 1999 the Plaintiff adopted a distinctive trade mark called CEFO for its use in relation to a medicinal and pharmaceutical preparation containing the drug "Cefixime" to be marketed by the Plaintiff, whereas the Defendant has also claimed that the words "CEF" is a prefix of the formulation and is commonly used by the various companies and there are large number of drugs which are already in market with prefix CEF and thus the Plaintiff has no proprietary right nor the said mark is any innovative design or innovation by the Plaintiff and thus the Plaintiff is not entitled to use the said mark exclusively. This Court held that the Plaintiff's mark CEFI is derived from the chemical compound or salt Cefixime and there are umpteen authorities on the proposition that where marks are derived from such pharmaceutical sales, these are weak trademarks. Here the Plaintiff has taken the first four letters of the name of the salt and this is therefore a weak trademark. The said judgment of Division Bench of Bombay High Court has been affirmed by the Supreme Court in the matter of Medley Pharma V. Khandelwal Labs SLP (C) 5004/2006 order dt 13.12.2006.

(g) In the matter of Sun Pharma Ltd. V. Mylan Laboratories. FAO (OS) 71/2017 order dt. 24.3.2017, the competing marks were OXIPLAT and SOXPLAT. The Delhi High Court took into consideration the fact that the generic salt is OXALIPLATIN. Various pharmaceuticals using the salt to manufacture their product are using the trademarks 'OXOPLAN', 'OXAMIL', 'OXALTOR', 'FEXOPLAT', 'GLENOXAL', 'OXALINIS', 'XPLATIN', 'KINAPLAST', 'XALIPAT' and 'PLATOXIM'. Meaning thereby, a part of the name of the generic salt is being used by all the manufacturers.

(h) In the matter of Schering Corporation and Ors. v. Alkem Laboratories Ltd.. 2009 SCC Online Del 3886, the Division Bench of Delhi High Court was

considering competing trade mark of Temokem V. Temoget. The Delhi High Court inter alia took into consideration the aspect that the marks TEMOKEM and TEMOGET are respectively in relation to their pharmaceutical products- the active ingredient whereof is TEMOZOLOMIDE, a drug administered for the treatment of brain cancer. In that decision, reliance was placed on the Supreme Court judgment in the matter of SBL Ltd V. Himalaya Drug Company^{1997 (17) PTC 540}, wherein the Supreme Court held that "Nobody can claim exclusive right to use any generic word, abbreviation, or acronym which has become publici juris, In the trade of drugs, it is common practice to name a drug by the name of the organ or ailment which it treats or the main ingredient of the drug. Such an organ ailment or ingredient being publici juris or generic cannot be owned by anyone for use as a trademark".

(i) In the said judgment of S.B.L. Limited Vs. The Himalaya Drug Co. (supra), which was decided by the Division Bench of Delhi High Court, the competing marks were Liv-52 and Liv T. The Division Bench of Delhi High Court took into consideration that LIV is an abbreviation of liver. This abbreviation has been used in over 160 registrations as a constituent of the name under which the products relating to treatment associated with liver in the field of medicinal and pharmaceutical preparations-- Homeopathic and Ayurvedic are being marketed. The word 'Liv' is, therefore, generic and common to trade as describing the medicines associated with the treatment of liver. It has become publici juris. In the field of medicines and pharmaceuticals, it is common practice that the drugs are named either by the name of the organ which it treats or by the principal ingredients or the name of the ailment. This enables a doctor to associate a particular trade name with the organ, ingredient or ailment thereby reducing chances of error. No trader can therefore restrain another trader from using the description of the organ, ingredients or ailment. The Delhi High Court further observed that there are about 100 drugs in the market using the abbreviation 'Liv' made out of the word Liver - an organ of the human body, as a constituent of names of medicinal/ pharmaceutical preparations with some prefix or suffix—mostly suffixes-- meant for treatment or ailments or diseases associated with liver. Thus it has been held that, Liv had thus become a generic term and publici juris.

(j) In Neon Laboratories Ltd. Vs. Medical Technologies Ltd. & Ors. 2015 SCC Online SC 905, competing trademarks were PROFOL V. ROFOL. In that decision, injunction was granted by the learned Trial Court which was confirmed by the learned Single Judge of the Gujarat High Court and the said decision has been affirmed by the Supreme Court. Therefore, in that decision injunction is granted on the well known parameters i.e. prima facie case, balance of convenience and irreparable loss. Thus, the said decision does not assist the Petitioner.

(k) The Petitioner has also relied on the judgment in the matter of Bal Pharma Vs. Centaur Laboratories Pvt. Ltd. & Anr. (supra). In fact the said judgment supports the case of the Respondents. In the said judgment, in paragraph 8, it

has been held that there is no hard and fast rule that delay per se would defeat an application for interlocutory injunction. It has been also held that where the Defendant to an action has been using the mark, even if concurrently, without making himself aware of the fact as to whether the same mark is the subject-matter of the registration and belongs to another person, the first person cannot be heard to complain for he has been using it.

(l) In the judgment of Delhi High Court in Kalindi Medicure Pvt. Ltd. V. Intas Pharmaceuticals Ltd. & Anr. 2006 SCC Online Del 1166 , the rival trademarks were LOPRIN and LOPARIN. In that judgment, the Delhi High Court was considering the order passed under Order XXXIX, Rules 1 and 2 of the CPC by the learned Trial Court. Therefore, the case is mainly seen from the prima facie point of view as specifically recorded in paragraph 20 and therefore, the said decision was given in accordance with the principles of law to be seen at an interlocutory stage. Therefore, the said decision has no application to the present case.

(m) In the judgment of Delhi High Court in Ranbaxy Laboratories Ltd. Vs. Intas Pharmaceuticals Ltd. & Ors. (2011) SCC Online Del 3527, the competing trademarks were NIFTRAN and NIFTAS. In that case, inter alia, the Court has taken into consideration that the basic compound used in both the drugs is Nitrofurantoin and both the drugs are used for the treatment of urinary tract infection. In that decision, the Court held that the trademarks 'NIFTRAN' and 'NIFTAS' are based on the drug NITROFURANTOIN, the words 'NIFTRAN' and 'NIFTAS' representing the molecule or drug represented by the names and therefore no one can claim a monopoly over these names.

(n) In the judgment of Delhi High Court in Sun Pharmaceutical Industries Ltd. & Anr. V. Anglo French Drugs & Industries Ltd. & Anr. (2014) SCC Online Del 4716, the competing trademarks were OXETOL and EXITOL. In that case, the Court was concerned with interim injunction. The Court inter alia took into consideration that active ingredient of OXETOL is Oxcarbazepine and active ingredient of EXITOL is Lactitol. The Oxetol is used as anti-convulsant and exitol is used for Hospital administered laxative. The consuming neuro-patients are public as far as drug Oxetol is concerned, and in case of Exitol any patient admitted to hospital with some illness, if recommended by the doctor. In any case, the said order is in the nature of interim order/ interim injunction and therefore will not be of much assistance to the Petitioner.

(o) In the judgment of Delhi High Court in East African (I) Remedies Pvt. Ltd. v. Wallae Pharmaceuticals Ltd. and Anr. 2003 SCC Online Del 328, the competing trademarks were REVOX and RIVOX. The said case was also concerning temporary injunction. The Court inter alia took into consideration that neither the trademark 'RIVOX' of the Plaintiff nor 'REVOX' of the defendant are registered trademarks and the applications made by both the sides are pending consideration/ inquiry before the Registrar of Trademarks under the Trade and Merchandise Marks Act, 1958. Prima facie, there is some evidence to show that

the prior user of the trademark 'RIVOX' by the plaintiff in relation to his antibiotic medicinal preparation and on the other hand, the defendant has been able to establish its sales for the year 1999-2000 which are in crores and its advertising and promotional expenses for this product was in lacs of rupees during the period 1999-2000 and the plaintiff was aware of the defendant's user of the trademark since April, 1999 but did not chose to file the suit promptly and, therefore, the suit can be said to be suffering from delay/laches/acquiescence.

(p) In the judgment of Delhi High Court in Cadila Laboratories Ltd. & Anr. v. Dabur India Ltd. 1997 SCC Online Del 360 , the competing trademarks were MEXATE v. ZEXATE. That was also the case where the Court was concerning with interim injunction. The Court took into consideration the aspect that the two drugs are common for treatment of cancer which is a deadly disease. Therefore, both the drugs are Schedule 'H' drugs and since they are required for treatment of a very serious disease, the same, in all cases, expected to be purchased on the basis of a doctor's prescription being Schedule 'H' drugs. Since except for one syllable, the base drug is being used for the trade name 'Mexate', the plaintiffs cannot claim any monopoly with regard to the word 'exate' which is taken from the word 'methotrexate' which is the active ingredient used in the product.

30. The Respondent No. 4 has relied on an illustrative list of cases wherein rival marks were held to be deceptively similar. The said list is produced at Annexure 'D' in the separate compilation. The said list is reproduced hereinbelow for ready reference:-

"ANNEXURE D"

Sr.

No.

Cause Title & Citation

Court

Plaintiff's Trade Mark

Defendant's/ Respondent's Injuncted/ Cancelled Trade Mark

1

Amritdhara Pharmacy V. Satyadeo Gupta, AIR 1963 SC 449

SC

Laxmandhara

Amritdhara

2

Cadila Pharmaceuticals Ltd. v. Sami Khatib, 2011 (47) PTC 69 (Bom) (DB)

BHC (DB)

RB TONE

HB TONE

3

Boots Company Plc, England & Ors. v. Registrar of Trade Marks, Mumbai & Ors.,
2002 (25) PTC 784

(Bom)

BHC

BRUFEN

CROFEN

4

Win-Medicare Pvt. Ltd.

v. Galpha Laboratories Ltd. & Ors. 2016 (65) PTC 506 (Del.)

DHC

BETADINE

BECTODINE

5

Sun Pharma

Laboratories v. The Madras Pharmaceuticals & Ors. 2016 (68) PTC

543 (Bom)

BHC

METOSARTAN

METOSAN

6

Medley Laboratories (P) Ltd., Mumbai & Ors. v. Alkem Laboratories Ltd, 2002 (4)
Bom CR 70

BHC (DB)

SPOXIN

SUPAXIN

7

Win-Medicare Ltd. v. Somacare Laboratories, 1997 PTC (17) 34

DHC

DICLOMOL

DICMOL

8

Sun Pharmaceutical Industries Ltd. v. Salud Care (I) Pvt. Ltd., MANU
/TN/1936/2012

Mad HC

CABGOLIN

GOLIN

9

Stiefel Laboratories & Anr. v. Ajanta Pharma, 2014 (59) PTC 24 (Del)

DHC

CLINDOXYL

CLINOXID

10

United Biotech Pvt. Ltd.

v. Orchid Chemicals & Pharmaceuticals, 2012

(50) PTC 433 (Del) (DB)

DHC (DB)

ORZID

FORZID

11

Remidex Pharma Pvt. Ltd. v. Savita Pharmaceuticals, 2006

(33) PTC 157

DHC

ZEVI

EVIT

12.

Ranbaxy Laboratories v. Dua Pharmaceuticals, AIR 1989 Del. 44

DHC

CALMPOSE

CALMPROSE

13

Glaxo Group Ltd. v. Neon Laboratories Ltd. (2004) FSR 46 (Bom)

BHC

CELIN

TOCILLIN

14

Nucron Pharmaceuticals

v. International Pharmaceuticals, 1994 IPLR 56 (Bom)

BHC

SEPMAX

SELMAX

15

Anglo French Drugs & Industries Ltd. v. Eisen Pharmaceuticals Co. Ltd. 1997
IPLR 260

BHC

BEPLEX

ZEEPLEX

16

Lupin Labs v. Jain Products, AIR 1998 Bom 312

BHC

PYKAFIN

PYRAFIN

17

Cadila Labs v. Kamath Atul & Co. 1991 PTC 259

KARHC

HURBINOL

HERBINOL

Eli Lilly ICOS LLC v. Maiden Pharmaceuticals Ltd. 2009 (39) PTC 666

(Del)

DHC

CIALIS

MCALIS

Thus, reliance of Mr. Kirpekar on the above referred cases is not of much significance.

31. In the present case we are concerned with final order which has been passed by IPAB under Section 57 of the said 1999 Act. Most of the authorities on which Mr. Kirpekar, the learned counsel appearing on behalf of the Petitioner has relied are concerning interim injunctions and, therefore, the said decisions are on the basis of prima facie finding and do not decide any issue conclusively. In most of the said decisions the principle which has been used is that nobody can claim exclusive right to use any generic word, abbreviation, or acronym which has become publici juris. In the trade of drugs, it is common practice to name a drug by the name of the organ or ailment which it treats or the main ingredient of the drug. Such an organ ailment or ingredient being publici juris or generic cannot be owned by anyone for use as a trademark. In the present case, main ingredient of the product of the Respondent No.4 is Ceftriaxone, whereas the main ingredient of the product of the Petitioner is Ofloxacin. The product of the Respondent No.4 is prescribed for severe medical indications amongst hospitalized patients and perioperative prophylaxis patients for respiratory tract infections, meningitis, pediatric infections and soft tissue infections. The product of the Petitioner is prescribed for enteric respiratory tract infections, meningitis, gram negative bacterial infections, infections of tissues and skin, infections of bones and joints, abdominal infections including pelvis inflammation, infections of kidney, UT, genital organs and gonorrhea. The Supreme Court has held that, when a particular medicinal or a pharmaceutical product is involved as the impugned trade mark which may deceive the public or cause a confusion with respect to another trademark, it is the Court's primary duty to take utmost care to prevent any such possibility of confusion in the use of trademarks. Confusion in case of a non-medicinal or a non-pharmaceutical product may only cause economic loss to the person, but on the other hand, a confusion in terms of medicinal product or a pharmaceutical product may have disastrous effect on the health. Hence, it is proper to require a lesser quantum of proof of confusing similarity for such products. The Court may not speculate as to whether there is a probability of confusion between the marks. The mere existence of the slightest probability of confusion in case of medicinal product marks, requires that the use of such mark be restrained. The degree of resemblance between the two marks must be taken into consideration while deciding the same. Factors such as phonetic similarity or

similar pronunciation can cause a big confusion amongst the public. While arriving at a conclusion with respect to the similarity and confusion between medicinal products, the point of view of an ordinary common man of average intelligence should be considered instead of that of a specialised medicinal practitioner. The IPAB by recording valid reasons has held that there is likelihood of confusion on account of phonetic similarity along with margin to be kept for imperfect pronunciation and imperfect recollection in multilingual society in India. Thus, the decisions on which Mr. Kirpekar has heavily relied do not assist the case of the Petitioner.

For the above reasons, we hold that the impugned trade mark of the Petitioner is of such a nature so as to deceive the public or cause confusion with respect to the trade mark of the Respondent no. 4 as envisaged under Section 9(2)(a) and Section 11(1) (b) of the said 1999 Act

(II) POINT NO.2 :

Whether Rectification Application filed by Respondent no. 4 is within limitation ?

32. It is the contention of Mr. Kirpekar, learned counsel appearing for the Petitioner that the Petitioner applied for registration of the trade mark on 28th January 1999 and accordingly registration was granted on 12th December 2005 and date of first use of mark OFLOMAC by the Petitioner is 28th April 1999. Mr. Kirpekar submitted that the rectification application was filed on 29th October 2013 and therefore the same is barred by law of limitation and therefore IPAB has no jurisdiction to deal with the said case.

33. The Supreme Court in MP Steel Corporation Vs. Commissioner of Central Excise (supra) held that a perusal of the Limitation Act, 1963 would show that the bar of limitation contained in the Schedule to the Act applies to Suits, Appeals and Applications. The Supreme Court considered Suits, Appeals and Applications as contemplated under the Limitation Act, 1963 in paragraphs 11 to 13. The same reads as under:

"11. A perusal of Section 3(2) shows that "suits" are understood as actions begun in courts of law established under the Constitution of India.

12. In the Schedule, the second division concerns itself with appeals. These appeals under Articles 114 to 117, are either under the Civil Procedure Code, the Criminal Procedure Code, or intra-court appeals so far as the High Courts are concerned. These appeals again are only to "Courts" established under the Constitution.

13. Equally, in the third division, all applications that are referred to are under Articles 118 to 137 only to "Courts", either under the Civil Procedure Code or under other enactments.

34. It has been held that on a plain reading of the provisions of the Limitation Act, it becomes clear that suits, appeals and applications are only to be

considered (from the limitation point of view) if they are filed in courts and not in quasi-judicial bodies.

35. Relying on the judgment in the matter of Kerala State Electricity Board v. T.P. Kunhaliumma(1976) 4 SCC 634 , it has been held that the Limitation Act only applies to Court and not to quasi-judicial Tribunals.

36. The Intellectual Property Appellate Board, Chennai, Circuit Bench at Mumbai in Crc Industries Vs. Danmet Chemicals (P) Ltd.,(supra) considered whether the provisions of Limitation Act will apply to the application for rectification. The Board while holding that the provisions of Limitation Act will not be applicable to the application for rectification held in paragraph 37 as follows:-

"37. The other issue as to limitation by the respondent is rejected. This Tribunal has held that the provisions of Limitation Act is not applicable to the application for rectification. The Act itself lays down that though this Board is not bound by Code of Civil Procedure but is governed by Principles of Natural Justice. Based on this, this Board in Prestige Housewares India Ltd. and Ors. v. Gupta Light House and Anr., 2007 (35) PTC 876 (IPAB) following the High Court of Delhi in Fedders Lloyd Corporation Ltd., and Anr. V. Fedders Corporation 2005 (30) PTC 358 (Del DB) had held Article 137 of the Limitation Act 1963 will not govern the application, under Section 46 of the Act. Prior to the constitution of the Appellate Board, such applications were being heard before the High Courts, having jurisdiction, to which the provisions of the Limitation Act, 1963 as well as the provisions of the Code of Civil Procedure, 1908 are applicable. The Trade Marks Act, 1999 by virtue of which this Board was constituted, provides that the Board shall not be bound by the procedure laid down in CPC. Undoubtedly this Appellate Board is a Tribunal and not a civil court to attract the application of provisions of the Limitation Act to applications on hand."

(Emphasis added)

37. Mr. Kirpekar also submitted that even if it is assumed that no limitation is prescribed for rectification application, still there is considerable delay in filing the rectification application. This Court in the decision dated 4th March 1976 in Kanshiram Surinder Kumar Vs. Thakurdas Deomal Rohira 1976 SCC Online Bom 137, relying on the decision in Ciba Ltd. Vs. Ramalingam (supra) held that the question of delay had, therefore, to be approached from the point of view of the substantial injury, if any, caused to the respondent thereby, which should "outweigh the interest of the public" which the Court has to consider. It has been further held that in considering an application for rectification, the Court has to consider not merely the conduct of the parties, but also the question of purity of the register in public interest.

38. The Division Bench of this Court in Bal Pharma Ltd. Vs. Centaur Laboratories Pvt. Ltd. and Ors. [Appeal No. 778 of 2001 decided on 28th August 2021] (supra) discussed the question of delay and acquiescence in the following manner:

"9. Then we turn to the question of delay and acquiescence. Mr. Tulzapurkar, learned Counsel appearing for the Respondent cites the judgment of the Supreme Court in *Power Control Appliances and Ors. v. Sumeet Machines Pvt. Ltd.*, MANU/SC/0646/1994 :[(1994) 1 SCR708 wherein the Supreme Court approvingly referred to the judgment of the Appeal Court in England in *Electrolux LD v. Electrix* and quoted a passage therefrom in paragraph 34 of its judgment. Our attention was also drawn to the judgment in *Electrolux* itself. Reference to the judgment in *Electrolux* shows that there is no hard and fast rule that delay per se would defeat an application for interlocutory injunction. The judgment indicates that in a situation where the defendant to an action has been using the mark, even if concurrently, without making himself aware of the fact as to whether the same mark is the subject-matter of the registration and belongs to another person, the first person cannot be heard to complain for he has been using it negligently inasmuch as he has not taken the elementary precaution of making himself aware by looking at the public record of Registrar as to whether the mark in question is the property of another. If, however, he had taken search and, knowing full well that the mark was the property of another person, continues to use the mark, then he runs the risk of a registered proprietor challenging his action for infringement and merely because it is done at a subsequent stage, he cannot be heard to complain on the ground of delay. Further discussion in the judgment shows that in order to deny an interlocutory injunction, the delay must be such as to have induced the defendant or at least to have lulled him into a false sense of security to continue to use the trade mark in the belief that he was the monarch of all he surveyed. In our judgment, such are not the circumstances here. We are not satisfied from the record that a search was taken of the registry by the Appellant to assure itself that there was no other person who owned the mark "MICRODINE". Assuming that the search was taken, and the Appellant has done it consciously, then the Appellant has to thank itself for having gambled by investing large amounts in a risky venture. Either way, we do not think that the defence can succeed, at this stage, at least."

(Emphasis added)

As discussed hereinabove the provisions of the Limitation Act are not applicable to the Tribunal/IPAB. Therefore, there is no substance in the contention raised by the Petitioner that the rectification application filed by the Respondent No.4 is barred by limitation. There is also no substance in the alternate contention that the application is belatedly filed. The above observations in *Bal Pharma Ltd.* (supra) are squarely applicable to the present case. The Supreme Court has held that, primary duty of the Court is towards the public and the purity of the register. Duty of the Court must always be to protect the public irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion. Thus, there is no substance in the contention that the application of rectification is barred by Law of Limitation or is belatedly filed.

For the above reasons, we hold that Rectification Application filed by Respondent no. 4 is within limitation.

(III) POINT NO. 3 :

Whether the application filed under Section 57 of the said 1999 Act before IPAB for removal of registration of the Petitioner's trade mark is maintainable or could have been decided by IPAB in view of the pendency of said Delhi Suit?

(IV) POINT NO. 4 :

Whether IPAB never came in seisin of the rectification application filed by Respondent no. 4 as Respondent no. 4 never raised plea of invalidity by filing application under Section 124(1)(b)(ii) of the said 1999 Act in the pending Delhi Suit?

39. As Point Nos. 3 and 4 are related, we are considering both the points together.

40. It is the contention of the Petitioner that the Respondent no. 4 never raised plea of invalidity before the Hon'ble High Court of Delhi by filing application under Section 124 (1)(b)(ii) of the 1999 Act for framing of issue on the basis of plea of invalidity and for satisfying the Hon'ble High Court, Delhi about the tenability of plea of invalidity. Hence, the IPAB never came in seisin of the rectification application filed by Respondent no. 4. As far as application bearing I.A. No. 17530 / 2013 filed in said Delhi Suit, it is the contention of the Petitioner that the same is not maintainable in the eyes of law because it is not filed under Section 124 (1) (b) (ii) of the 1999 Act, but it was filed under Section 151 of the CPC to circumvent the effect of abandonment of plea of invalidity under Section 124 of the 1999 Act as held in Patel Field Marshal Agencies (supra).

41. It is the contention of the Respondent No.4 that by order dated 8th April 2015, the Delhi Suit was stayed and therefore all the necessary requirements in Section 124(1)(b) (ii) of the 1999 Act were sub-sued. It is the contention of Respondent no. 4 that the Delhi High Court was satisfied about the tenability of Respondent no. 4's plea about invalidity of the Petitioner's impugned registration and therefore the Suit was stayed. It is further submission of Respondent no. 4 that the order dated 8th April 2015 of the Delhi High Court has attained finality and therefore the Petitioner cannot now raise an objection that the IPAB was not in seisin of the matter.

42. Before considering rival submissions, it is necessary to see Section 124 of the said Act, which reads as under:

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

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

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

(b) the defendant raises a defense under clause

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

(i) if any proceedings for rectification of the register in relation to the plaintiffs or defendant's trade mark are pending before the Registrar or the [High Court], stay the suit pending the final disposal of such proceedings.

(ii) If no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiffs or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the [High Court] for rectification of the register.

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

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

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

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

(Emphasis added)

43. The Supreme Court after considering the scheme of Sections 46, 56, 111 and 107 of the 1958 Act corresponding to Sections 47, 57, 124 and 125 of the 1999 Act held in *Patel Field Marshal Agencies* (supra) held as follows:

"31 Rather, from the resume of the provisions of the 1958 Act made above it becomes clear that all questions with regard to the validity of a Trade Mark is required to be decided by the Registrar or the High Court under the 1958 Act or by the Registrar or the IPAB under the 1999 Act and not by the Civil Court. The Civil Court, in fact, is not empowered by the Act to decide the said question.

Furthermore, the Act mandates that the decisions rendered by the prescribed statutory authority [Registrar/High Court (now IPAB)] will bind the Civil Court. At the same time, the Act (both old and new) goes on to provide a different procedure to govern the exercise of the same jurisdiction in two different situations. In a case where the issue of invalidity is raised or arises independent of a suit, the prescribed statutory authority will be the sole authority to deal with the matter. However, in a situation where a suit is pending (whether instituted before or after the filing of a rectification application) the exercise of jurisdiction by the prescribed statutory authority is contingent on a finding of the Civil Court as regards the prima facie tenability of the plea of invalidity.

32. Conversely, in a situation where the Civil Court does not find a triable issue on the plea of invalidity the remedy of an aggrieved party would not be to move under Sections 46/56 of the 1958 Act but to challenge the order of the Civil Court in appeal. This would be necessary to avoid multiple proceedings on the same issue and resultant conflict of decisions.

33. The 1958 Act clearly visualizes that though in both situations i.e. where no suit for infringement is pending at the time of filing of the application for rectification or such a suit has come to be instituted subsequent to the application for rectification, it is the Registrar or the High Court which constitutes the Tribunal to determine the question of invalidity, the procedure contemplated by the Statute to govern the exercise of jurisdiction to rectify is, however, different in the two situations enumerated. Such difference has already been noted.

34. The intention of the legislature is clear. All issues relating to and connected with the validity of registration has to be dealt with by the Tribunal and not by the civil court. In cases where the parties have not approached the civil court, Sections 46 and 56 provide an independent statutory right to an aggrieved party to seek rectification of a trade mark. However, in the event the Civil Court is approached, inter alia, raising the issue of invalidity of the trade mark such plea will be decided not by the civil court but by the Tribunal under the 1958 Act. The Tribunal will however come into seisin of the matter only if the Civil Court is satisfied that an issue with regard to invalidity ought to be framed in the suit. Once an issue to the said effect is framed, the matter will have to go to the Tribunal and the decision of the Tribunal will thereafter bind the Civil Court. If despite the order of the civil court the parties do not approach the Tribunal for rectification, the plea with regard to rectification will no longer survive.

35. The legislature while providing consequences for non-compliance with timelines for doing of any act must be understood to have intended such consequences to be mandatory in nature, thereby, also affecting the substantive rights of the parties. This is how Section 111(3) of the 1958 Act has to be understood. That apart, it is very much within the legislative domain to create legal fictions by incorporating a deeming clause and the court will have to understand such statutory fictions as bringing about a real state of affairs

between the parties and ushering in legal consequences affecting the parties unless, of course, there is any other contrary provision in the statute. None exists in the 1958 Act to understand the provisions of Section 111(3) in any other manner except that the right to raise the issue of invalidity is lost forever if the requisite action to move the High Court/IPAB (now) is not initiated within the statutorily prescribed time frame.

36. Thus, by virtue of the operation of the 1958 Act, the plea of rectification, upon abandonment, must be understood to have ceased to exist or survive between the parties inter se. Any other view would be to permit a party to collaterally raise the issue of rectification at any stage notwithstanding that a final decree may have been passed by the civil court in the meantime. True, the decree of the Civil Court will be on the basis of the conclusions on the other issues in the suit. But to permit the issue of rectification, once abandoned, to be resurrected at the option of the party who had chosen not to pursue the same at an earlier point of time would be to open the doors to reopening of decrees/orders that have attained finality in law. This will bring in uncertainty if not chaos in the judicial determinations between the parties that stand concluded. Besides, such an interpretation would permit an aggrieved party to get over the operation of a statute providing for deemed abandonment of the right to raise an issue relevant; in fact, fundamental to the lis.

37. The position may be highlighted by reference to a suit for infringement where the defendant raises the plea of invalidity of the plaintiff's trade mark and also in the alternative takes up any of the defenses available in law.

The defendant by operation of Section 111(3) of the 1958 Act is deemed to have abandoned the plea of invalidity. In the trial it is found that the defendant is guilty of infringement and is appropriately restrained by a decree of the Civil Court. If the right under Section 46/56 of the 1958 Act is to subsist even in such a situation, the possible uncertainty and possible anarchy may well be visualized. This is why the legislature by enacting Section 111 of the 1958 Act has mandated that the issue of invalidity which would go to the root of the matter should be decided in the first instance and a decision on the same would bind the parties before the civil court. Only if the same is abandoned or decided against the party raising it that the suit will proceed in respect of the other issues, if any. If the above is the legislative intent, which seems to be clear, we do not see how the same can be overcome by reading the rights under Sections 46 and 56 of the 1958 Act to exist even in a situation where the abandonment of the same right under Section 111(3) has taken effect in law.

38. The mandate of the 1958 Act, particularly, Section 111 thereof, appears to be that if an aggrieved party does not approach the Tribunal for a decision on the issue of invalidity of registration as provided for under Section 111(2) and (3), the right to raise the issue (of invalidity) would no longer survive between the parties to enable the concerned party to seek enforcement of the same by recourse to or by a separate action under the provisions of Section 46/56 of the

1958 Act."

(Emphasis added)

44. The position of law as envisaged by Patel Field Marshal Agencies (*supra*) can be summarised as follows:

(i) Where any issue of invalidity is raised or arises independent of a suit, the prescribed statutory authority i.e. IPAB/ High Court under the Trade Marks Act will be the only sole authority to deal with the matter.

(ii) In a situation where a suit is pending whether instituted before or after the filing of a rectification application, the exercise of jurisdiction by the prescribed statutory authority is contingent on a finding of the Civil Court with respect to *prima facie* tenability of the plea of invalidity.

(iii) In a situation where the Civil Court does not find a triable issue on the plea of invalidity the remedy of an aggrieved party would not be to move under Sections 46/56 of the 1958 Act (Section 47/57 of the 1999 Act) but to challenge the order of the Civil Court in appeal. This would be necessary to avoid multiple proceedings on the same issue and resultant conflict of decisions.

(iv) Any issues relating to and connected with the validity of trade mark registration has to be dealt by the prescribed statutory authority and not by the Civil Court.

(v) Whenever the Civil Court is approached, *inter alia*, raising the issue of invalidity of the trade mark, such plea will be decided not by the Civil Court but by the prescribed statutory authority. The prescribed statutory authority will however come into seisin of the matter only if the Civil Court is satisfied that the issue with regard to invalidity ought to be framed in the suit. Once an issue to the said effect is framed, the matter will have to go to the prescribed statutory authority and the decision of the prescribed statutory authority will be binding on the Civil Court. Despite the order of the Civil Court, if the parties do not approach the prescribed statutory authority for rectification, the plea with regard to rectification will no longer survive.

(vi) A right to raise the issue of invalidity is lost forever if the requisite action to move the prescribed statutory authority is not initiated within the statutorily prescribed time frame.

(vii) The plea of rectification, upon abandonment, must be understood to have ceased to exist or survive between the parties *inter se*. Any other view would be to permit a party to collaterally raise the issue of rectification at any stage notwithstanding that a final decree may have been passed by the Civil Court in the meantime.

(viii) To permit the issue of rectification, once abandoned, to be resurrected at the option of the party who had chosen not to pursue the same at an earlier point of time would amount to reopening of decrees/orders that have attained

finality in law. This will bring in uncertainty if not chaos in the judicial determinations between the parties that stand concluded, thereby giving rise to a never ending litigation process.

45. Before considering the rival contentions, it is necessary to set out relevant factual aspects:

(i) On or about 8th May 2000, the Delhi Suit for infringement and passing off was filed by Respondent no. 4 against the Petitioner.

(ii) On 14th January 2008, the Petitioner filed written statement in the said Delhi Suit.

(iii) On 29th April 2008, issues were framed in the Delhi Suit including issue of infringement and passing off. The relevant portion of the order is reproduced hereinbelow:-

" The counsel for the parties have been heard. I have also seen the pleadings. The following issues arise for consideration:-

1. Whether the plaintiff is the registered proprietor of the trademark 'OFRAMAX'?
2. Whether the defendant is infringing the trademark 'OFRAMAX' of the plaintiff by selling its goods under the trademark 'OFLOMAC'?
3. Whether the defendant is seeking to pass off its goods as those of the plaintiff by using the trademark 'OFLOMAC'?
4. Whether the plaintiff is entitled to rendition of accounts?
5. Relief.

The parties shall file their list of witnesses within two weeks. Evidence shall be by way of affidavits in the first instance. Cross-examination shall be conducted before the Joint Registrar. The plaintiff shall file its evidence affidavits within four weeks of the filing of the list of witnesses.

List before the Joint Registrar on 18.07.2008 for fixing further dates of trial."

(iv) On 29th July 2011, on the Application of the Petitioner, the issue with respect to trade mark infringement with the consent of both the parties was struck off. The relevant portion of the said order is reproduced hereinbelow:

"Issue No.2 is struck off, as agreed between the parties.

The IA stands disposed of."

(v) On 29th October 2013, the subject Rectification Application was filed by Respondent no. 4 before the IPAB.

(vi) Immediately on the very next day i.e. on 30th October 2013, Respondent no. 4 filed an application (IA/17530/2013) in the Delhi Suit seeking stay of the Delhi Suit. The Rectification Application for removal of the Petitioner's registered

trade mark from the Register of Trade Marks on the ground of invalid registration was annexed to said Stay Application filed by Respondent no.4.

(vii) By order dated 8th April 2015, the Delhi High Court after considering the Stay Application filed by Respondent no.4 and after hearing both the parties i.e. Petitioner and Respondent no.4 herein, was pleased to stay the Delhi Suit awaiting the decision of IPAB in the subject Rectification Application. The said order of stay dated 8th April 2015 is very relevant and the same is reproduced hereinbelow for ready reference:

"IA No. 17530/2013 :

This application purportedly under Section 151 CPC is filed by the plaintiff seeking stay of trial in the suit to await the outcome of the cancellation proceedings before the Intellectual Property Appellate Board. Learned Counsel for the Plaintiff points out that the present suit has been filed for infringement of trademark and passing off. In the written statement, the defendant has raised a defence, namely, that their impugned trademark is also a registered trademark and hence the present suit for infringement of trademark would not lie under Section 28(3) of the Trademark Act. The Plaintiffs have hence filed an appropriate application before the IPAB for rectification/cancellation of the Trade Mark of the defendant and hence seek a stay in the present suit in terms of Section 124 of the Trademarks Act.

Learned counsel appearing for the Defendant has vehemently opposed the present application. He states that the present suit is only confined to the relief of passing off and does not deal with the relief of infringement of the trademark. He relies upon the order of this Court dated 29.7.2011 where issue No. 2 was deleted. Issue No.2 dealt with the fact as to whether the trademark of the Plaintiff had been infringed by the defendant. Based on this order of 29.7.2011, it is vehemently contended that the present suit is now confined only to passing off.

Learned counsel appearing for the Plaintiff has, however, refuted the contentions of the Defendant. He has relied upon the Division Bench judgment of this Court in the case of Puma Stationer P. Ltd. and Anr. Vs. Hindustan Pencils Ltd., 2010 (43) PTC (Del.) to contend that it is settled legal position that this Court is obliged to stay further proceedings of the suit once an application for cancellation of a registered trademark is filed before the statutory authority pursuant to Section 124(1) of the Trademarks Act. He further states that merely because the issue was deleted on account of the defence of the Defendant under Section 28(3) of the Trademark Act would not ipso facto mean that the relief as sought regarding infringement of the trademark is no longer pressed by the Plaintiff.

There is merit in the contentions of the Plaintiff. The Division Bench in Puma Stationer P. Ltd. and Anr. Vs. Hindustan Pencils Ltd. (supra) held as follows:-

"15. We are of the view, therefore, that the law on this issue is quite well settled.

Where an application for rectification / cancellation of a registered trade mark is pending before the statutory authority, the High Court is obliged to stay further proceedings in the suit pending before it pursuant to Section 124(1) of the Trade Marks Act, 1999".

It is open to the Plaintiff to at any stage of proceedings give up any claim in the suit. However, in the present case, the order of 29.7.2011 cannot mean to read that the Plaintiff has given up its claim regarding infringement of the trademark. The issue No. 2 regarding infringement of the trademark of the Plaintiff has been given up in view of the provisions of Section 28(3) of the Trademark Act. Accordingly, the present application is allowed and the trial of the present suit is stayed.

Liberty is granted to the parties to approach this Court, if necessary, after appropriate adjudication of the application by the concerned IPAB."

A perusal of above order of Delhi High Court demonstrates following aspects:

(i) Although application filed by the Respondent No. 4 in said Delhi Suit seeking stay of Delhi Suit makes reference to Section 151 of CPC, Delhi High Court exercised jurisdiction under Section 124 of the 1999 Act.

(ii) The Delhi High Court records that issue of infringement is raised in the Delhi Suit.

(iii) The Delhi High Court stayed the Delhi Suit and granted liberty to the parties to approach Delhi High Court in said Delhi Suit after appropriate adjudication by the IPAB.

46. Before dealing with the merits with respect to Point Nos. 3 and 4, it is necessary to deal with submission of the Petitioner that the said application dated 30th October, 2013 filed by the Respondent No.4 in Delhi Suit bearing IA No.17530/2013 was filed under Section 151 of CPC and, therefore, the same cannot be considered as application under Section 124 of the said 1999 Act and, therefore, the requirements of said decision of the Supreme Court in Patel Field Marshal Agencies (supra) are not complied with. The Petitioner relied on judgment of the Supreme Court in My Palace Mutually Aided Co-operative Society Vs. B. Mahesh & Ors. (2022) SCC OnLine SC 1063 and submitted that the inherent powers enshrined under Section 151 of CPC can be exercised only where no remedy has been provided for in any other provision of CPC. In view of said submission of the Petitioner, it is significant to note the order passed by Delhi High Court in said IA No.17530/2013 on 8th April, 2015. The Delhi High Court in the said order dated 8th April, 2015 has specifically observed that the Respondent No.4 has filed application under Section 151 of CPC however, Delhi High Court exercised jurisdiction under Section 124 of the 1999 Act. Therefore, the contention of the Petitioner that the said application was filed under Section 151 of CPC and, therefore, the same cannot be treated as application under Section 124 of the said Act has no substance. It is settled legal position that

what is important is the substance of the application and not the section which is mentioned in the application. Order dated 8th April 2015 of the Delhi High Court clearly shows that although in the stay application, Respondent No. 4 has mentioned Section 151 of CPC, however, the Delhi High Court has passed order under Section 124 of the 1999 Act.

47. It is necessary to examine the factual position of this case in the light of the said decision of Patel Field Marshal Agencies (supra). The factual position shows that, the issue with respect to trade mark infringement was struck off with the consent of the parties on the application filed by the Petitioner. Therefore, it has to be held that, there was no issue framed since inception regarding infringement. The Rectification Petition was filed on 29th October, 2013 and immediately on 30th October, 2013 the stay application was filed awaiting the outcome of the Rectification Petition. By order 8th April, 2015 the Delhi High Court stayed said Delhi Suit by granting liberty to the parties to approach Delhi High Court in Delhi Suit, if necessary, after appropriate adjudication of the application by the IPAB. Perusal of the order passed by Delhi High Court shows that Delhi High Court was satisfied that issue of infringement of trade mark is raised in the suit and prima facie satisfied about the tenability of the plea of invalidity. There is substance in the contention raised by the Respondent No.4 that once the said Delhi Suit was stayed by the abovementioned order dated 8th April 2015 passed under the provisions of Section 124(2) of the 1999 Act, all the necessary requirements in Section 124(1)(b)(ii) were subsumed in it; in the sense that the Delhi High Court was satisfied that Respondent No. 4's plea about invalidity of the Petitioner's impugned registration was prima facie tenable and therefore it stayed the Delhi Suit. It is pertinent to note that the above-mentioned order dated 8th April 2015 of the Delhi High Court was never challenged by the Petitioner and the same has attained finality.

48. It is further significant to note that, it was the contention raised by the Petitioner in the said Delhi Suit, when arguing against the prayer of the stay of said Delhi Suit, that the said suit was only confined to the relief of passing off and does not deal with the relief of infringement of the trade mark. To substantiate the said contention the Petitioner has relied on order dated 29th July, 2011 of the Delhi High Court by which, by consent issue No. 2 regarding infringement was deleted. If it is the contention of the Petitioner that the said Delhi Suit is not for infringement then now the Petitioner cannot take a contrary stand that it is the suit regarding infringement and, therefore, requirements of Section 124(1)(b)(ii) are applicable. The said contention will be contradictory to the contention raised by the Petitioner before the Delhi High Court in said Delhi Suit.

49. In any case, it is significant to note that after specifically setting out the said contention of the Petitioner, the Delhi High Court as recorded in order dated 8th April 2015 found substance in the contentions of the Respondent No.4 that merely because the issue of infringement was deleted on account of the defence

of the Defendant under Section 28(3) of the 1999 Act, the same would not ipso facto mean that the relief as sought regarding infringement of the trademark is no longer pressed by the Plaintiff. The Delhi High Court has held that, it is open to the Plaintiff to at any stage of proceedings to give up any claim in the suit. However, in the present case, the order dated 29.7.2011 in Delhi Suit cannot mean to read that the Plaintiff has given up its claim regarding infringement of the trademark. By observing this the Delhi High Court stayed the suit and granted liberty to the parties to approach the Delhi High Court after appropriate adjudication of the Application by the IPAB.

50. In addition to the above reasons, there is one more reason to reject the submission raised on behalf of the Petitioner.

(a) It is significant to note that as held by Patel Field Marshal Agencies (supra) in a situation where a suit is pending (whether instituted before or after the filing of Rectification Application), the exercise of jurisdiction by the prescribed statutory authority is contingent on a finding of the Civil Court as regards the prima facie tenability of the plea of invalidity. Conversely in a situation where the Civil Court does not find triable issue on the plea of invalidity, the remedy of an aggrieved party would be to challenge the said order of the Civil Court in appeal and not under Section 46/56 of the 1958 Act i.e Sections 47/57 of the 1999 Act. What is contemplated by Patel Field Marshal Agencies (supra) is finding of the Civil Court as regards the prima facie tenability of the plea of invalidity.

(b) Order XIV, Rule 1 of the CPC contemplates framing of issues when the material proposition of fact or law is affirmed by the one party and denied by the other. The material proposition are those propositions of law or fact which a Plaintiff must allege in order to show a right to sue or a Defendant must allege in order to constitute his defence.

(c) Order dated 29th April 2008 of Delhi High Court, by which issues were framed in said Delhi Suit clearly shows that the issues were framed by exercising power under Order XIV, Rule 1 of CPC.

(d) Order XIV, Rule 1 CPC provides that "when a material proposition of fact or law is affirmed by the one party and denied by the other". On the other hand Section 124(1)(b)(ii) provides that "the plea regarding the invalidity of the registration of the Plaintiff's or Defendant's trade mark is prima facie tenable, raise an issue regarding the same". Thus while framing issues under Order XIV, Rule 1, CPC, the Court has to only apply mind to the aspect whether the issues arise between the parties i.e. when a material proposition of fact or law is affirmed by the one party and denied by the other, however, Section 124 of the 1999 Act particularly Section 124(1)(b)(ii) contemplates that the Court should be satisfied that the plea regarding the invalidity of the registration of the Plaintiff's or Defendant's trade mark is prima facie tenable. If Civil Court is satisfied about prima facie tenability of the issue of invalidity then to raise such an issue regarding the same and adjourn the case for a period of three months from the

date of framing of the issues, in order to enable the party concerned to apply to the High Court for rectification of the register. Thus, what is contemplated by said Section 124(1)(b)(ii) is satisfaction of the Court that the plea regarding invalidity of the registration of the trade mark is prima facie tenable. Therefore, what is contemplated under said provision is application of mind to the aspect whether the plea regarding the invalidity of the registration of the trade mark in question is prima facie tenable and thereafter to raise an issue regarding the same and adjourn the case. Therefore, what is contemplated under Section 124(1) (b)(ii) is not merely framing of an issue as contemplated under Order XIV, Rule 1 of CPC, however, application of mind and satisfaction that such plea regarding invalidity of the registration of the trade mark in question is prima facie tenable. Thus, it is clear that satisfaction of the Court contemplated under Order XIV, Rule 1 of CPC is merely from the point of view that a particular issue arise in the suit whereas satisfaction contemplated under Section 124(1)(b)(ii) of the 1999 Act is from the point of view that the plea regarding the invalidity of the registration of the trade mark in question is prima facie tenable.

(e) The order of the Delhi High Court dated 29th April 2008 framing issues do not show that the said requirement of Section 124(1)(b)(ii) is complied with. Therefore said order dated 29th April 2008 cannot be assumed as passed under Section 124(1)(b)(ii) of the said 1999 Act and therefore statutory period as contemplated under said provision is not at all applicable in the present case.

(f) It is also significant to note that in any case, the said issue was thereafter deleted by consent of the parties and therefore it has to be assumed that at no point of time said issue was framed. Thus it cannot be assumed that the time limit as contemplated under Section 124 has begun and therefore applicable.

(g) It is important to note that order dated 8th April 2015 of the Delhi High Court staying the suit clearly show that the Delhi High Court has after application of mind found that the plea regarding the invalidity of the registration of the Petitioner's trade mark is prima facie tenable and therefore requirement of Section 124(1)(b)(ii) of the 1999 Act are complied with.

51. Thus, it is clear that, there is no substance in the contention of the Petitioner that the requirements of the decision of the Supreme Court in Patel Field Marshal Agencies (supra) are not complied with. In this case, in view of order dated 8th April, 2015 of the Delhi High Court which has been specifically passed by the Delhi High Court by exercising power under Section 124 of the said 1999 Act, it has to be held that all the necessary requirements of Section 124(1)(b)(ii) were subsumed in it; in the sense that the Delhi High Court was satisfied that Respondent No.4's plea about invalidity of the Petitioner's impugned registration was prima facie tenable and therefore, it stayed the Delhi Suit.

For the above reasons, we hold that application filed under Section 57 of the said 1999 Act before IPAB for removal of registration of the Petitioner's trade mark is maintainable and IPAB has jurisdiction to decide the same as Delhi High Court

has found that the plea of invalidity is tenable. We also hold that requirements of Section 124(1)(b)(ii) of the said 1999 Act are complied with and, therefore, IPAB came in seisin of the rectification application filed by the Respondent No.4. Therefore, there is no substance in the point No. 3 and 4 raised by the Petitioner.

(V) POINT NO. 5 :

Whether actual use of the Petitioner's mark is prior in point of time and/or honest and concurrent use and therefore entitled for protection under Section 34 and/or Section 12 of the said 1999 Act?

52. Mr. Kirpekar, learned counsel of the Petitioner submitted that, the actual use of the Petitioner's mark is prior in point of time. The Petitioner's mark "OFLOMAC" being used prior in point of time is entitled for protection under Section 34 and/or Section 12 of the 1999 Act which protects prior user and/or honest and concurrent user of the same or similar mark. He submitted that the IPAB has completely overlooked that the documentary evidence clearly shows that the Petitioner's adoption is honest and if not prior then certainly concurrent.

53. However, it is to be noted that, the IPAB has passed the order under Section 57 of the 1999 Act by which, Petitioner's trade mark OFLOMAC was cancelled/removed from the register of the trade mark on the ground that the mark of the Petitioner is of such a nature as to deceive the public or cause confusion. In this background, it is important to note Division Bench judgment of this Court in the matter of Ciba Ltd. V. M. Ramalingam (supra). In the said case, this Court has held that, the primary duty of the Court is towards the public and the maintenance of the purity of the register. This Court has further held that, the contest is not so much between the parties to the litigation as it is a contest between the party defending his right to a particular trade mark and the public, and the duty of the Court must always be to protect the public irrespective of what economic loss, hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion. The register should not contain trade marks which are identical or which so closely resemble each other that an unwary purchaser may be likely to be deceived by thinking that he is buying the goods of a particular person or a particular firm or a particular industry, whereas he is buying the goods of another person or firm or industry.

54. It is further significant to note that, it is the contention of the Petitioner that Petitioner's user is honest and concurrent. In this behalf, it is significant to note that on 30th August 1989, Respondent No.4 filed application for registration of trade mark OFRAMAX and the same was registered on 13th May 1994; more than 9 years later, on 28th January 1999, the Petitioner applied for registration of the impugned mark OFLOMAC. A simple search of the Register which is open to the public, would necessarily have revealed Respondent No. 4's prior registered trade mark. A search for a prior conflicting mark is always conducted before adopting a new mark. The Petitioner, however, did not do so. Instead, its purported search is after its adoption of the impugned mark and even after

receiving Respondent No. 4's cease-and-desist notice. On 27th August 1999 Respondent No. 4 issued the cease-and-desist notice to the Petitioner calling upon the Petitioner not to use the impugned mark OFLOMAC and on 12th October 1999, the Petitioner conducted the purported search of the Register. It is pertinent to note that the purported search report relied upon by the Petitioner is, in fact, much after receiving Respondent No.4's cease-and-desist notice dated 27th August 1999 and after the Petitioner filed its application for registration of its mark OFLOMAC on 28th January 1999. Thus there is no substance in the contention raised by the Petitioner regarding honest and concurrent use.

55. It is further significant to note that, the Respondent No. 4 filed application seeking trade mark OFRAMAX on 30th August, 1989 and the certificate of registration was granted on 13th May, 1994. The Petitioner applied for the trade mark OFLOMAC on 28th January, 1999 and it is in the category of "proposed to be used". Therefore, it is clear that, user, if any of Petitioner's trade mark has started after January, 1999. In fact it is the claim of the Petitioner that the same was started in April, 1999. Therefore, this is not a case of honest and concurrent or previous use.

56. In this behalf, it is also important to deal with the submission of Mr. Kirpekar, learned Counsel appearing for the Petitioner. He submitted that although Respondent no.4 claimed user of trade mark "OFRAMAX" since July 1991 but failed to produce any documents to show that the said mark "OFRAMAX" of Respondent no.4 has been used prior to May 1999 and invoices and statements are produced only since 2003. In this behalf, it is significant to note following observations in paragraph 24 of the impugned order of IPAB:

"24. While both marks have been filed on a proposed to be used basis, it is admitted position that while the Respondent No.1 has shown usage from 1999 onwards, the Applicant is the prior user, having already achieved sales figure of INR 5,01,96,000/- in 1999 as per the data placed before us. It is impossible that a product launched in 1999 or in a few years past would have achieved said sale figures, the logical assumption being that the

Applicant commenced use of the brand OFRAMAX sometime after the filing of its trademark in 1989 and well before achieving sales figure of INR 5,01,96,000/- in 1999."

(Emphasis added)

Thus, the above observations of IPAB clearly shows that the Respondent No. 4 commenced use of the brand OFRAMAX well before achieving sales figure of INR 5,01,96,000/- in 1999.

57. Therefore, there is no substance in the contention raised by the Petitioner that actual use of the Petitioner's mark is prior in point of time and or honest and concurrent use and therefore entitled for protection under Section 34 and/or Section 12 of the said 1999 Act.

For the above reasons, we hold that the actual use of the Petitioner's mark is not prior in point of time and/or honest and concurrent use and therefore is not entitled for protection under Section 34 and/or Section 12 of the said 1999 Act.

(VI) POINT NO. 6 :

Whether interference in the impugned order is warranted under the jurisdiction of this Court under Articles 226 and 227 of the Constitution of India?

58. The Seven Judges Bench of the Supreme Court in the decision in Hari Vishnu Kamath V. Syed Ahmad Ishaque. AIR 1955 SC 233 , inter-alia laid down following four limits of the jurisdiction of the High Court in issuing Writs of Certiorari:

"(1) Certiorari will be issued for correcting errors of jurisdiction;

(2) Certiorari will also be issued when the Court or tribunal acts illegally in the exercise of its undoubted jurisdiction, as when it decides without giving an opportunity to the parties to be heard, or violates the principles of natural justice;

(3) The Court issuing a writ of certiorari acts in exercise of a supervisory and not appellate jurisdiction. One consequence of this is that the Court will not review findings of fact reached by the inferior court or tribunal, even if they be erroneous;

(4) An error in the decision or determination itself may also be amenable to a writ of certiorari if it is a manifest error apparent on the face of the proceedings, e.g., when it is based on clear ignorance or disregard of the provisions of law. In other words, it is a patent error which can be corrected by certiorari but not a mere wrong decision."

59. In Surya Dev Rai Vs. Ram Chander Rai and Others. (2003) 6 SCC 675 , the Supreme Court after reviewing the leading judgments, summarized the conclusions in a nutshell in paragraph 38. The relevant portion of paragraph 38 reads as under:

38.

(3) Certiorari, under Article 226 of the Constitution, is issued for correcting gross errors of jurisdiction, i.e., when a subordinate court is found to have acted (i) without jurisdiction - by assuming jurisdiction where there exists none, or (ii) in excess of its jurisdiction - by overstepping or crossing the limits of jurisdiction, or (iii) acting in flagrant disregard of law or the rules of procedure or acting in violation of principles of natural justice where there is no procedure specified, and thereby occasioning failure of justice.

(4) Supervisory jurisdiction under Article 227 of the Constitution is exercised for keeping the subordinate courts within the bounds of their jurisdiction. When the subordinate Court has assumed a jurisdiction which it does not have or has failed to exercise a jurisdiction which it does have or the jurisdiction though available is being exercised by the Court in a manner not permitted by law and failure of

justice or grave injustice has occasioned thereby, the High Court may step in to exercise its supervisory jurisdiction.

(5) Be it a writ of certiorari or the exercise of supervisory jurisdiction, none is available to correct mere errors of fact or of law unless the following requirements are satisfied :

(i) the error is manifest and apparent on the face of the proceedings such as when it is based on clear ignorance or utter disregard of the provisions of law, and (iii) a grave injustice or gross failure of justice has occasioned thereby.

(6) A patent error is an error which is self-evident, i.e., which can be perceived or demonstrated without involving into any lengthy or complicated argument or a long-drawn process of reasoning. Where two inferences are reasonably possible and the subordinate court has chosen to take one view the error cannot be called gross or patent.

(7) The power to issue a writ of certiorari and the supervisory jurisdiction are to be exercised sparingly and only in appropriate cases where the judicial conscience of the High Court dictates it to act lest a gross failure of justice or grave injustice should occasion. Care, caution and circumspection need to be exercised, when any of the above-said two jurisdictions is sought to be invoked during the pendency of any suit or proceedings in a subordinate court and the error though calling for correction is yet capable of being corrected at the conclusion of the proceedings in an appeal or revision preferred there against and entertaining a petition invoking certiorari or supervisory jurisdiction of High Court would obstruct the smooth flow and/or early disposal of the suit or proceedings. The High Court may feel inclined to intervene where the error is such, as, if not corrected at that very moment, may become incapable of correction at a later stage and refusal to intervene would result in travesty of justice or where such refusal itself would result in prolonging of the lis.

(8) The High Court in exercise of certiorari or supervisory jurisdiction will not convert itself into a Court of Appeal and indulge in re-appreciation or evaluation of evidence or correct errors in drawing inferences or correct errors of mere formal or technical character.

(9) In practice, the parameters for exercising jurisdiction to issue a writ of certiorari and those calling for exercise of supervisory jurisdiction are almost similar and the width of jurisdiction exercised by the High Courts in India unlike English courts has almost obliterated the distinction between the two jurisdictions. While exercising jurisdiction to issue a writ of certiorari the High Court may annul or set aside the act, order or proceedings of the subordinate courts but cannot substitute its own decision in place thereof. In exercise of supervisory jurisdiction the High Court may not only give suitable directions so as to guide the subordinate court as to the manner in which it would act or proceed thereafter or afresh, the High Court may in appropriate cases itself make an order in supersession or substitution of the order of the subordinate court as

the court should have made in the facts and circumstances of the case."

60. In the present case, it cannot be said that the impugned order has been passed by IPAB without jurisdiction or in excess of its jurisdiction. It also cannot be said that IPAB acted in flagrant disregard of law or the rules of the procedure or acting in violations of principles of natural justice and thereby occasion in failure of justice. The IPAB has passed the order after giving full opportunity to both the parties. We have already discussed hereinabove that the IPAB took decision by taking into consideration parameters set out by the Supreme Court and other High Courts. The decision of the IPAB is in the interest of general public as the mark is concerning medicinal / pharmaceutical product. IPAB has taken possible view of the matter and in fact the view taken by IPAB is the only view which can be taken in the matter. There is no patent error which has been pointed out. Therefore, no ground is made out to interfere in the impugned order under Articles 226 and 227 of the Constitution of India.

61. For the above reasons, there is no substance in the Writ Petition filed by the Petitioner and therefore, the same is dismissed however, with no order as to costs.