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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ CS(COMM) 86/2023 & I.A. 3130/2023, I.A. 3131/2023, I.A.
3132/2023, I.A. 3133/2023

NOVARTIS AG & ANR. Plaintiffs
Through: Ms. Mamta Rani Jha, Mr.
Abhijeet Rastogi, Ms. Mamta Bhadu and
Mr. Abhay Tandon, Advs.

versus

NOVAEGIS (INDIA) PRIVATE LIMITED Defendant
Through: Mr. Jayant Kumar, Adv.

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

ORDER
20.02.2023

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I.A. 3132/2023 (under Section 12A of the Commercial Courts Act, 2015)

1. In view of the judgment of the Division Bench of this Court in *Chandra Kishore Chaurasia v. R.A. Perfumery Works Pvt Ltd*¹, exemption is granted from the requirement of pre-institution mediation under Section 12A of the Commercial Courts Act, 2015.

2. The application stands allowed accordingly.

I.A. 3131/2023 (under Order XI Rule 1(4) CPC)

3. This application seeks permission to file additional documents.

4. The plaintiffs are permitted to place additional documents on

¹ 2022 SCC OnLine Del 3529

record in accordance with Order XI Rule 1(4) of the Code of Civil Procedure, 1908 (CPC) as amended by the Commercial Courts Act within 30 days from today.


5. The application stands disposed of accordingly.



I.A. 3133/2023 (exemption from advance service)

6. As Mr. Jayant Kumar has entered appearance, this application is rendered infructuous and is disposed of as such.

CS (COMM) 86/2023

7. Plaintiff 2 is the licensee of Plaintiff 1, under a trade mark license agreement dated 7th October 2005. Plaintiffs 1 and 2 would, therefore, be collectively referred to as “the plaintiffs”.

8. The plaintiffs claimed to have adopted the name NOVARTIS as their housemark/company name/ trade name in 1996. The mark, distinctively depicted as  has, since then, been continuously and uninterrupted used by the plaintiffs both nationally as well as internationally.


9. Ms. Mamta Rani Jha, learend Counsel for the plaintiffs, asserts that the mark  has become a source identifier of the plaintiffs by dint of uninterrupted use. It is emphasised that the mark  figures not only on the medicines manufactured by the plaintiff, as representing the name of the manufacturer, but also on the buildings, offices, packaging products, promotional materials, stationery and other goods and services belonging to the plaintiffs or in

which the plaintiffs are engaged. 'NOVARTIS', it is further submitted, also constitutes part of several registered domain names of the plaintiffs', a list of which is provided in para 12 of the plaint.

10. The plaintiff possesses Indian Registration no. 700020 in Class 5 and IRDI Registration No. 3050272 in Classes 01, 03, 05, 09, 10, 16, 29, 30, 31, 32, 35, 40, 41, 42 and 44 with effect from 28th February 1996 and 28th April 2015 respectively, for the word mark 'NOVARTIS'. The plaint asserts that these registrations are valid and subsisting.





11. The earliest registration possessed by the plaintiffs in class 5, therefore, dates back to 28th February 1996 and is, therefore, almost of three decades' vintage as on date.


12. In order to underscore its repute in the market, the plaint provides details of the annual sales figures of Plaintiff 2, from the years 2007-08 till 2021-22. In the year 2021-22, the sales turnover of Plaintiff 2 was in the region of ₹ 375.4 crores. The plaint further asserts that the mark NOVARTIS has been recognised as a well-known trade mark in several WIPO, UDRP and INDRP decisions.

13. The plaintiff is aggrieved by the use, by the defendant, of the mark  for which the defendant has sought registration under class 35 which deals with "retailing, wholesaling, import and export of pharmaceuticals, advertising, business management, business administration, office functions". It is not in dispute that the plaintiffs and defendant use the disputed marks on the packets and strips on which they sell their pharmaceutical products. The marks of the

plaintiffs and the defendant are as under:

Plaintiff's mark	Defendant's mark
	



14. The plaintiff alleges that the  mark of the defendant is deceptively similar to the  mark of the plaintiff and that, even otherwise, the defendant's mark is also phonetically similar to the plaintiffs' registered word mark. Inasmuch as the two marks are used in respect of same product, and, therefore, cater to the same customer/clientele, the plaintiff asserts that the defendant has, by using the impugned  mark, infringed the plaintiffs'  mark and is also passing off its products as those of the plaintiff.

15. Predicated on these allegations, the plaintiff, by the present suit, seeks to injunct the defendants from using , or 'NOVAEGIS', in any manner whatsoever, and also seeks other attendant reliefs. The plaintiff has also filed, with the suit, I.A. 3130/2023, seeking interim injuncting reliefs.

16. I have heard Ms. Mamta Rani Jha for the plaintiff and Mr. Jayant Kumar for the defendant at length.

17. That the intention of the defendant is not wholesome as, submits Ms. Mamta Rani, borne out by the defendant's website on which the defendant has resorted to copying of the tagline used by the plaintiffs. She has, for this purpose, presented for comparison, the following recitals contained on the plaintiffs' and defendant's website

Plaintiff's website	Defendant's website
<p>"Our purpose is to reimagine medicine to improve and extend people's lives. We use innovative science and technology to address some of society's most challenging healthcare issues. We discover and develop breakthrough treatments and find new ways to deliver them to as many people as possible. We also aim to reward those who invest their money, time and ideas in our company"</p>	<p>Novaegis purpose is to reimagine medicine to better and healthier life. Novaegis has a broad portfolio of innovative and established medicines and we use innovative technology to address some of the most challenging healthcare issues"</p>

18. Ms. Mamta Rani Jha further submits that if one were to compare the mark of the plaintiffs and the defendant, one finds that they are structurally similar, use a similar colour scheme and, in her submissions, the defendant could not possibly have visualised or created the impugned  mark without having before it, in the first instance, the plaintiff's  mark.

19. A defendant who thus resorts to blatant copying of plaintiff's mark has, submits Ms. Mamta Rani Jha, necessarily to be enjoined.

20. Responding to Ms. Mamta Rani's submission, Mr. Jayant Kumar, appearing for the defendant, disputes the contention that the plaintiffs' and the defendant's marks are either phonetically or visually similar. He submits that NOVAEGIS is a portmanteau of "NOVA" and "AEGIS". It is, therefore, he submits, a mark coined by the defendant, in which the defendant has, over the years, earned considerable goodwill.

21. Mr. Jayant Kumar also relies on Section 29(5)² of the Trade Marks Act, 1999. He submits that Section 29(5) is a self-contained and independent provision which specifically caters to a situation in which the mark of the defendant is part of the name of its business concern. As such, if the allegation of the plaintiffs is that the defendant's mark, which is part of its company name, infringes the plaintiffs mark, an injunction can be granted only if a case falls within the four corners of Section 29(5). Moreover, submits Mr. Jayant Kumar, Section 29(5) requires the two marks to be identical and does not apply where the defendant's mark is only deceptively similar to that of the plaintiff. Inasmuch as the plaintiffs' and the defendant's marks in the present case are not identical, Mr. Jayant Kumar submission is that Section 29(5) would not apply and that, therefore, the plaintiffs cannot seek an injunction.

22. Mr. Jayant Kumar relies on the decision of a coordinate single Bench of this Court in *Mankind Pharma Ltd. v. Chandra Mani Tiwari*³ and specifically draws attention to the following passages from the said decision:

“1. The plaintiff has instituted this suit for perpetual injunction to restrain the two defendants, viz. Chandra Mani Tiwari and Mercykind Pharmaceuticals Pvt. Ltd., from infringing the plaintiff's trade mark/trade name 'MANKIND' and series of marks with the suffix/prefix 'KIND' and from passing off their business/goods as that of the plaintiff, by adopting and using the trade name 'MERCYKIND PHARMACEUTICAL PRIVATE LIMITED' or in any other manner whatsoever thereby and for ancillary reliefs of delivery, rendition of accounts, damages etc.

7. It is the contention of the plaintiff (i) that in CS(OS)

² 29. **Infringement of registered trade marks.—** *****

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

³ (2018) 253 DLT 39

No.1949/2014 titled *Mankind Pharma Ltd. Vs. Ultrakind Health Care & Anr.*, vide order dated 8th July, 2014, the defendants have been restrained from using the trade name 'ULTRAKIND HEATH CARE' and/or from using the trade mark 'MECOKIND' or any other mark with the word element 'KIND'; (ii) in *Mankind Pharma Ltd. Vs. Cadila Pharmaceuticals Ltd.*⁴, it has been held that the defendant cannot copy the essential/predominant part of the trade mark of the plaintiff which is 'KIND'; (iii) adoption of 'MERCYKIND' by the defendants is *mala fide* and dishonest; (iv) the action of the defendants amounts to infringement under Section 29(5) of the Trade Marks Act, 1999; (v) a 'mark' under Section 2(m) of the Act includes a 'name'; (vi) the defendants have adopted essential and predominant feature of the registered trade mark of the plaintiff; reliance is placed on para no.28 of *Kaviraj Pandit Durga Dutt Sharma Vs. Navratna Pharmaceutical Laboratories*⁵, para no.30 of *Mex Switchgears Pvt. Ltd. Vs. Max Switchgears Pvt. Ltd.*⁶, and, para nos. 26, 29 to 33 of *Sanofi India Ltd. Vs. Universal Neutraceuticals Pvt. Ltd.*⁷; (vii) the plaintiff is using 'KIND' in a plurality of registered marks as a common prefix or suffix and which has become the distinguishing element of the family of marks and is recognized by the customers as an identifying trade mark in itself; in these circumstances, even though the defendants' mark may not be close to a particular member of the family, the use of the distinguishing family feature or characteristics is likely to cause confusion; reliance is placed on McCarthy on Trademarks and Unfair Competition, Fourth Edition, Vol.4 23:61 at pages 23-244 and 23-245; (viii) adoption of essential feature 'KIND' in the defendants' trade name is use of the plaintiff's registered trade marks within the meaning of Section 29(5); reliance is placed on paras no.7, 9 to 11, 15,17, 18, 23, 25, 26, 29 to 33 and 53 of *Sanofi India Ltd.*⁷ supra, on paras no.5 to 8 of *Kirorimal Kashiram Marketing & Agencies Vs. Shree Sita Chawal Udyog Mill*⁸ and on paras no.17 to 18 of *Amar Singh Chawal Wala Vs. Shree Vardhman Rice*⁹; (ix) defendants' arguments, that Section 29(5) only covers adoption of identical mark, is contrary to the legislative intent behind Section 29(5); reliance in this regard is placed on para no.44 of *Bloomberg Finance LP Vs. Prafull Saklecha*¹⁰, para 15 of *London Rubber Vs. Durex*¹¹, *Larsen and Toubro Ltd. Vs. Lachmi Narain Trades*¹², para 7 of *Ruston & Hornsby Ltd. Vs. The Zamindara Engineering Co.*¹³, and, paras no.30 and 33 of *Mex Switchgears Pvt. Ltd.*⁶; (x) use by other companies of similar mark and which

⁴ (2015) 61 PTC 465

⁵ (1965) 1 SCR 737

⁶ (2014) 58 PTC 136 (Del)

⁷ (2014) 60 PTC 593 (Del)

⁸ (2010) 44 PTC 293

⁹ (2009) 40 PTC 417 (Del)

¹⁰ (2013) 56 PTC 243

¹¹ (1964) 2 SCR 211

¹² (2015) 64 PTC 386

¹³ AIR 1970 SC 1649

others have a minuscule turnover, is no ground to deny interim injunction to the plaintiff; reliance is placed on para no.22 of *Rolex SA Vs. Alex Jewellery Pvt. Ltd.*¹⁴, para no.33 of *Novartis AG Vs. Crest Pharma Pvt. Ltd.*¹⁵, and, para no.50 of *Express Bottlers Services Pvt. Ltd. Vs. Pepsi Inc.*¹⁶; (xi) the argument of the defendants, on the basis of the reply of the plaintiff to the Registrar of Trade Marks at the time of seeking registration of its various other marks, is misconceived as the claim of the plaintiff is on the basis of series / family of marks of the plaintiff and the principles applicable thereto would not apply in the instant case; and, (xii) the balance of convenience is in favour of the plaintiff.

9.E. Infringement is dealt with in Section 29 of the Act. Sub-Sections (1) to (4) of Section 29 provide for infringement by use, in the course of trade, of a mark which is identical with or deceptively similar to the registered trade mark of the plaintiff.

F. The objection of the plaintiff is to use by defendants of the word 'MERCYKIND' because 'MERCYKIND' is to be found, only in the name of the defendant No.2 Company. Else, according to the plaintiff also, defendants are carrying on business in the same goods as the plaintiff, under the marks 'MERCYMOX', 'MERCYCOUGH', 'MERCYCOPE', etc. It is the case of defendants, that 'MERCYKIND', to which objection is taken, is not the trade mark of the defendants and is not used as trade mark by the defendants.

H. The first question to be thus determined is, whether the defendants are using 'MERCYKIND' as a trade mark, for the test prescribed in sub-sections (1) to (4) of Section 29 of the Act, to apply.

K. The goods of the defendants i.e. pharmaceutical/medicinal products, are not named 'MERCYKIND'; each medicine has different name, though with 'MERCY' as prefix viz. 'MERCYMOX', 'MERCYCOUGH', 'MERCYCOPE', 'MERCYPAN' and 'MERCYCID'. The objection of the plaintiff is not to the word 'MERCY' but to the use of the word 'KIND' in the name of the defendant No.2 Company in conjunction with 'MERCY'. The plaintiff in its plaint has admitted 'MERCYMOX', 'MERCYCOUGH', 'MERCYCOPE',

¹⁴ 2009 SCC OnLine Del 753

¹⁵ (2009) 41 PTC 57 Del

¹⁶ (1989) 9 PTC 14 (Cal.)

'MERCYPAN' and 'MERCYCID' etc. to be the trade marks of the defendants. Adopting the argument of the senior counsel for the plaintiff, of the word/term 'KIND' in the trade marks of the plaintiff indicating the source of the goods to be the plaintiff, it follows that use of the term 'MERCY' in the trade marks of the defendants indicates the source thereof to be the defendants. Once, it is found that such names of the medicines of the defendants with the prefix 'MERCY' are the trade marks of the defendants, the question of ['MERCYKIND' also being the trade mark of the defendants with respect to the same goods and of the goods of the defendants having two trade marks, would not arise. Therefrom, it follows that 'MERCYKIND' is not the trade mark of the defendants.

M. However the name 'MERCYKIND PHARMACEUTICAL PRIVATE LIMITED' of the defendant No.2 Company is also to be found on the goods i.e. pharmaceutical products manufactured and marketed by the defendants, either in compliance of various Laws, Rules, Regulations requiring the name of manufacturer / marketer to be so mentioned, or otherwise.

N. I have thus wondered, whether such affixation of the name of the defendant No.2 Company with the word 'MERCYKIND', to which objection is taken, to the medicines of the defendants, amounts to use thereof as a trade mark, for the purposes of Section 29 of the Act, by virtue of sub-section (6) thereof reproduced above.

O. However, notice can be taken of the fact that pharmaceutical products generally fall in two categories i.e. Over The Counter drugs or prescribed or schedule drugs. Prescribed or schedule drugs cannot be sold except on a prescription of a qualified medical practitioner. Neither Over The Counter drugs / medicines are known to be asked for by the name of the manufacturer / marketer thereof nor are the qualified medical practitioners known to prescribe drugs / medicines by the name of their manufacturer / marketer and are known to prescribe by the name/mark under which the said drugs are sold and which in the case of drugs / medicines of the defendants is not 'MERCYKIND'. In fact, of late, the qualified medical practitioners are being instructed to prescribe the schedule / prescribed drugs by their pharmaceutical/generic names and not even by their trade names.

P. Thus, mere affixation of the name of the defendant No.2 Company as manufacturer or marketer of the drugs/medicines sold by the defendants, would in my opinion, not qualify as a use thereof as a trade mark, even under Section 29(6) of the Act.

S. While the test of infringement under Section 29(1) to (4) is "...identical with or deceptively similar to...", the test of infringement under Section 29(5) of the mark, of which infringement is claimed, as would be apparent from language thereof reproduced above, is "uses such registered trade mark as his trade name or part of his name or name of his business concern or part of the name, of his business concern, dealing in goods or services in respect of which the trade mark is registered". Thus, the registered trade mark 'MANKIND' or any other registered trade marks with 'KIND' as prefix or suffix of the plaintiff would be infringed under Section 29(5), if the defendants were to be found to be using 'MANKIND' or any of the other registered trade marks of the plaintiff with 'KIND' as prefix or suffix as part of their trade name. Neither is it so the case of the plaintiff nor are the defendants found to be using 'MANKIND' or any other registered trade mark of the plaintiff with 'KIND' as prefix or suffix as part of their name. What the defendants are using as part of the corporate name of the defendant No.2 Company is, 'MERCYKIND'.

U. I am however unable to agree. The Legislature, inspite of having used the words "...identical with, or deceptively similar to..." in Section 29(1) to (4), having used different words in Section 29(5) and having not used such words in Section 29(5), is deemed to have not constituted use as name or part of the name, of a word or mark deceptively similar to the registered trade mark of the plaintiff, as infringement thereof by the defendants. What has been constituted as infringement under Section 29(5) is use of the registered trade mark as trade name or part of the trade name. Thus, there would have been infringement under Section 29(5), if the defendants, as part of their name, had used 'MANKIND' or any other registered trade mark of the plaintiff. Merely because 'MERCYKIND' in the name of defendant No.2 Company may be deceptively similar to 'MANKIND' or any other registered trade mark of plaintiff with 'KIND' as prefix or suffix, would not amount to infringement under Section 29(5).

X. I respectfully concur with the dicta aforesaid of the Division Bench of the Bombay High Court. What has been held by the Bombay High Court qua goods, i.e. for infringement of a registered trade mark by use as trade name, the goods in which the defendant is dealing have to be "same/identical" and not "similar", equally applies to the use of the trade mark as trade name. Use of a trade name similar or deceptively similar to the registered trade mark would not constitute infringement under Section 29(5).

Y. Thus, prima facie, no case of infringement within the meaning of Section 29 is made out."

23. Mr. Jayant Kumar submits that, in its decision in *Mankind Pharma*³, the coordinate Bench has clearly held that a case where the infringing mark was part of the name of the company has necessarily to be examined within the four corners of Section 29(5) and that sub-sections (1) to (4)¹⁷ of Section 29 would not apply in such a case. He submits that any other interpretation would render Section 29(5) otiose and redundant.

24. Mr. Jayant Kumar has also placed reliance on para 9 of the decision of a Division Bench of the High Court of Bombay in *Raymond Ltd. v. Raymond Pharmaceuticals Pvt. Ltd.*¹⁸:

9. Analysis of the provisions of Section 29 for the purpose which is relevant for deciding this appeal shows that (a) so far as sub-section (1) of Section 29 is concerned, it lays down that use of a trade-mark which is either identical or deceptively similar to the registered trade-mark by the Defendant in relation to the goods in respect which the trade mark is registered amounts to infringement of the registered trade-mark. Thus to attract sub-section 1 of Section 29 the Plaintiff will have to establish that the trade-mark of the Defendant is either identical or deceptively similar to the registered trade mark of the Plaintiff and the Defendant is using the trade mark to market his goods which are the goods in relation

¹⁷ 29. **Infringement of registered trade marks.—**

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

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

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

is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

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

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

- (a) is identical with or similar to the registered trade mark; and
- (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and
- (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

¹⁸ (2010) 44 PTC 25 (Bom.) (DB)

to which the Plaintiff's trade-mark is registered; (b) So far as Sub-section 2 of Section 29 is concerned, it lays down that a registered trade-mark can be said to be infringed if (i) the trade-mark of the Defendant is identical to the registered trade-mark of the Plaintiff and is used in respect of similar goods by the Defendant (ii) the mark of the Defendant is similar to the registered mark and there is an identity or similarity with the goods in relation to which the trade-mark of the Plaintiff is registered or (iii) the trade-mark of the Defendant is identical to the registered trade-mark of the Plaintiff and is used in relation to identical goods by the Defendant, and that such use is likely to cause confusion on the part of the public or is likely to be taken to have an association with the registered trade-mark. For application of Section 29(2) to a case, the Plaintiff has to show that the Defendant's trade-mark is either identical or similar to his registered trade-mark and that the Defendant is using that mark in relation to goods which are similar or identical to the goods in relation to which the Plaintiff's trade-mark is registered, and such use by the Defendant should be shown to result in confusion on the part of the public.

A comparison of the provisions of sub-section 1 and sub-section 2 of Section 29 shows that for attracting sub-section 1 of Section 29 the Defendant's mark should be identical or deceptively similar to the mark of the Plaintiff and must be used in relation to the same goods with respect to which the Plaintiff mark is registered and such use would lead one to think that the Defendant is using the Plaintiff's mark. To attract the provisions of sub-section 2 of Section 29 the Defendant's mark need not be identical to the registered trade-mark, it may be similar, not necessarily deceptively similar to the mark of the Plaintiff. The Defendant need not be shown to have used the mark in relation to the same goods. Even if it is shown that the Defendant is using the mark in relation to identical or similar goods, it would be enough. It is also to be shown that such use results in confusion of public mind. But once ingredients of sub-section 2 of Section 29 are established by the Plaintiff, because of sub-section 3 it is presumed, till contrary is proved by the Defendant, that such use by the Defendant causes confusion in public mind. So far as Sub-section (4) of Section 29 is concerned, it provides that registered trade-mark of a Plaintiff is infringed if the Defendant uses a mark which is identical or similar to the trade mark of the Plaintiff, but the goods in relation to which the mark is used are not similar. But in order to enable the owner of the registered trade-mark in such a case to claim infringement of his trade-mark he has to establish that he has reputation in India and that use of the mark by the Defendant is without due cause and is detrimental to the distinctive character or the reputation of the registered trade-mark. In order to attract the application of sub-section (4) of section 29 the Plaintiff has to show that the

Defendant's mark is identical or similar to the Plaintiff's registered mark and the Defendant is using the mark in relation to the goods which are dissimilar to the goods in relation to which the mark of the Plaintiff is registered and the Plaintiff has to establish some other grounds which are mentioned in Section 29(4). A comparison of Section 29(2) and Section 29(4) shows that in both the cases the trade-mark of the Defendant has to be shown to be identical or similar. But for attracting section 29(2), the goods of the Defendant should be identical or similar, however in so far as Section 29(4) is concerned the goods of the Defendant may be dissimilar. Scrutiny of the provisions of sub-sections 1, 2 and 4 of Section 29 shows that they deal with the use of a trade mark by the Defendant which is either identical or similar or deceptively similar to the registered trade-mark of the Plaintiff and that use of the Defendant in relation to goods which are either the same as the goods of the Plaintiff or are goods which are identical or similar or dissimilar to the goods of the Plaintiff. In short, these three provisions deal with use by the Defendant of the trade-mark in relation to the goods or services. In other words, these provisions do not deal with the situation where the Defendant is not using the trade-mark of the Plaintiff in relation to any goods or services, but is using the registered trade-mark as a part of his trade-name. Sub-section 5 of Section 29 deals with that situation. It deals with the situation where the Defendant is not using the registered trade-mark as a trade-mark, but is using the registered trade-mark as a part of its trade name. Use of such a registered trade-mark as a part of trade name by the Defendant also amounts to infringement, but subject to one condition namely that the Defendant must be dealing in goods in relation to which the trade-mark is registered. For attracting the application of sub-section 5 of Section 29, the Plaintiff has to show that the Defendant is using Plaintiff's trade-mark and not a mark which is identical or deceptively similar or similar to the Plaintiff's registered trade-mark as his trade-name or part of his trade-name and such business concern of the Defendant must be shown to be dealing in the same goods in relation to which the trade-mark of the Plaintiff is registered. If these two things are established, it is not necessary for the Plaintiff to show that such use of the trade-mark results in deception of the public or dilution of the Plaintiff's mark etc. It thus becomes clear that sub-sections 1, 2, 4 and 5 of Section 29 deal with different types of infringements of registered trade-mark and it is not merely enumerative. Sub-section 5 of Section 29 by necessary implication lays down that when a registered trade-mark is used by a Defendant as a part of the trade-name and the Defendant is dealing in the same goods in relation to which the trade-mark is registered, then only it will amount to infringement. In other words, if the Defendant uses the registered trade-mark as a part of his trade-name, but he does not deal in the same goods in respect of which the trade-mark is registered, then it does not

amount to infringement for the purpose of Trade-mark Act.”

25. Mr. Jayant Kumar also points out that this decision was affirmed by a Full Bench of the High Court of Bombay in *Cipla Ltd. v. Cipla Industries Pvt. Ltd.*¹⁹.

26. Mr. Jayant Kumar has also relied on para 26 of the judgment of a coordinate Single Bench of this Court on *Atlas Cycles (Haryana) Ltd. v. Atlas Products Pvt. Ltd.*²⁰, which reads thus:

“26. Having regard to the facts of the instant case and bearing in mind the fact that other members of the Kapur family are also using almost identical corporate names, though for different products, it cannot be said that the plaintiff has made out a good case for grant of interim injunction restraining the first defendant from using the corporate name. I also feel that if such an ad interim injunction is granted, it is likely to cause serious prejudice to the first defendant. Restraining the first defendant from using its corporate name at this juncture, which it has nurtured for the last more than seven years, in my view, would result in suddenly bringing its business to a grinding halt, which may ultimately amount to a civil death for the first defendant. Thus, in my view, the balance of convenience lies in favour of the first defendant and not the plaintiff, insofar as this aspect is concerned.”

27. Mr. Jayant Kumar further submits that the appropriate remedy for the plaintiffs, in an event where the defendant company’s name is deceptively similar to the plaintiff’s trade mark, lies under Section 16(2)²¹ of the Companies Act, 2013, and not under Section 29 of the Trade Mark Act. He further emphasised the equities of the situation, by submitting that the plaintiffs were aware of the defendant’s mark since 2020, and waited till 2021 to issue a legal notice to the

¹⁹ 2017 (69) PTC 425 (Bomb) (FB)

²⁰ 101(2002) DLT 324

²¹ 16. Rectification of name of company.—

(2) Where a company changes its name or obtains a new name under sub-section (1), it shall within a period of fifteen days from the date of such change, give notice of the change to the Registrar along with the order of the Central Government, who shall carry out necessary changes in the certificate of incorporation and the memorandum.

defendant, whereafter the present suit came to be filed only in 2023. In the process, he submits, the defendant has amassed considerable goodwill and that, therefore, the plaintiffs ought not to be granted any interlocutory injunctive reliefs.

28. Apropos the submissions of Mr. Jayant Kumar predicted on *Mankind Pharma*³, and *Raymond*¹⁸, Ms. Mamta Rani relies on a decision of a coordinate Single Bench of this Court in *Mex Switchgears*⁶ which, she submits, distinguishes Section 29(5) from Section 29(1) to (4). For this purpose, Ms. Mamta Rani Jha has placed reliance on para 29 of the said decision and sub-para (d) of para 51 of an earlier decision of this Court in *Bloomberg Finance LP. v. Prafull Saklecha*¹⁰ on which *Mex Switchgears*⁶ relied. The said passages read thus:

“29. Section 29(5) of the Act, it is seen that it relates to a situation where (i) the infringer uses the registered trademark "as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern" and (ii) the business concern or trade is in the same goods or services in respect of which the trade mark is registered. If the owner/proprietor of the registered trade mark is able to show that both the above requirements exist then an injunction restraining order the infringer should be passed.

30. Recently in the case of *Bloomberg Finance LP v. Prafull Saklecha*¹⁰ in para 51, after a long discussion on Section 29 of the Act, it was held as under:

“51. The legal position emerging as a result of the above discussion may be summarised as under:

(d) Given the object and purpose of Section 29(1) to (4), Section 29(5) cannot be intended to be exhaustive of all situations of uses of the registered mark as part of the corporate name. Section 29(5) cannot be said to render Section 29(4) otiose. The purpose of Section 29(5) was to offer a better protection and not to shut the

door of Section 29(4) to a registered proprietor who is able to show that the registered mark enjoying a reputation in India has been used by the infringer as part of his corporate name but his business is in goods and services other than that for which the mark has been registered.””

29. Ms. Mamta Rani further submits that a party such as the defendant who resorts to blatant copying not only of plaintiffs’ trade mark but also of the recitals contained on the plaintiffs’ website can hardly plead equity to oppose a prayer for interlocutory reliefs.

30. I have heard learned Counsel at some length and perused the material on record.

31. ‘NOVAEGIS’ is, phonetically, nearly identical to ‘NOVARTIS’, when tested from the point of view of a customer of average intelligence and imperfect recollection. The initial ‘Nova’ and the concluding ‘is’ parts of the two words are identical, the difference being restricted to the central ‘eg’ in one case and ‘rt’ in the other. It is difficult for this Court, at a *prima facie* stage, to believe that the phonetic similarity between the two marks is merely coincidental and that the defendant was an innocent adopter of the impugned mark. A customer of average intelligence and imperfect recollection who has heard the name ‘NOVARTIS’ and, later, hears the name ‘NOVAEGIS’, and who is not particularly familiar with either, is very likely to feel that he had heard the name before.

32. This impression is underscored by the visual similarity between the two marks. Both marks are written in bluish green, with the difference in colour being too minor to pass muster. Both marks are preceded by a pictorial symbol which, given the size of the marks as would be reflected on the packages on which the marks figure, are

also similar. There is every likelihood of a customer of average intelligence and imperfect recollection who has initially seen the mark of the plaintiffs and, some time later, sees the mark of the defendant, feeling that he had seen the mark earlier. That element of doubt, it is well settled, is sufficient to make out a case of “confusing” or “deceptive” similarity.

33. Likelihood of confusion and deception, therefore, is writ large in the present case, on a comparison of the rival marks.



34. Ms. Mamta Rani’s contention that the defendant has consciously sought to piggyback on the goodwill of the plaintiffs, too, has merit. A comparison of the recital on the website of the defendants, with the recital on the website of the plaintiff, reveals that the defendants have lifted more than one catchphrase. The similarities between the two recitals, again, is too stark to be inadvertent or, at least at a *prima facie* stage, innocent.

35. *Prima facie*, therefore, the defendant was conscious of the plaintiffs’ mark and the repute that it had earned and intentionally coined a mark which was phonetically and visually similar to the registered mark of the plaintiff and also used taglines and catchphrases on its website which were similar to those used by the plaintiff.

36. Mr. Jayant Kumar sought to wish away the similarity between the recitals on the websites of the plaintiff and the defendant by stating that one does not purchase medicine by referring to websites or the recitals contained on the websites. This submission has merely to be urged to be rejected.

37. The recitals contained on the websites, especially such promotional recitals as those referred to hereinabove, are obviously intended to impress the consumer, be the consumer the ultimate purchaser or a practitioner who prescribes the medicine. The similarity in the recitals, therefore, assumes additional importance even for that reason.

38. A *prima facie* case of deceptive similarity between the marks of the plaintiff and the defendant is, therefore, made out.

39. I am also in agreement with Ms. Mamta Rani that the defendant could not, *prima facie*, have devised the impugned  mark without having, in the first instance, before it, the plaintiffs'  mark. This is clear from the visual and phonetic similarity between the two marks.

40. Adverting, now, to the submissions advanced by Mr. Jayant Kumar regarding the various sub-clauses of Section 29 of the Trade Marks Act, I am unable to subscribe with the view that he seeks to espouse. Section 29(5), in my considered opinion, is an additional ground of infringement, apart from the grounds contained in Sections 29(1) to (4). Section 29(5) states that a registered trade mark is infringed by a person who uses such registered trade mark as part of his trade name or part of the name of his business concern, while dealing with goods of service in respect of which the trade mark is registered. Undoubtedly, if a defendant falls within the mischief of Section 29(5), he would be guilty of infringement under that provision. That does not, however, in my mind, dilute, in any fashion, the impact or import of Sections 29(1) to (4). Neither have Sections

29(1) to (4) been made subject to Section 29(5), nor is there any *non obstante* clause in Section 29(5) which would render the preceding sections subject to it.







41. Besides, Sections 29(1) to (4) refer to the defendant using a “mark”. The expression “mark” is defined in Section 2(1)(m) of the Trade Marks as including “a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof”. As such, within the broad parentheses of the expression “mark” are included “headings”, “names”, “words” and “letters”. ‘NOVAEGIS’, even as part of the business name of the defendant is, therefore, a “mark” as defined in Section 2(1)(m).

42. Section 29(2)(b) clearly holds that a registered trade mark is infringed by a person who uses, in the course of trade, *a mark* which, because of its similarity to the registered trade mark and identity or similarity of the goods or services covered by such registered trade mark, is either likely to cause confusion on the part of the public or likely to have an association with the registered trade mark. ‘NOVARTIS’ is the registered trade mark of the plaintiff. *Amritdhara Pharmacy v. Satya Deo Gupta*²², and a long line of authorities that follow it, hold that the test of confusing or deceptive similarity, for the purposes of trade mark infringement, has to be applied from the point of view of a customer of average intelligence and imperfect recollection, who sees the plaintiffs’ mark at one point and, at later point of time, sees the defendant’s mark. Viewed thus, if the customer is placed in a state of confusion on seeing the latter

²² (1963) 2 SCR 484

mark, as to whether he had seen it earlier, or is likely to presume an association between the two marks, “infringement”, within the meaning of Section 29(2)(b), exists.

43. The present case clearly satisfies the test envisaged by Section 29(2) inasmuch as

- (i)  **NOVARTIS** is the registered trade mark of the plaintiff,
- (ii) the defendant uses the impugned  **NOVARTIS** mark in the course of trade,
- (iii)  **NOVARTIS** satisfies the definition of “mark” as contained in Section 2(m) of the Trade Marks Act,
- (iv) the defendant’s  **NOVARTIS** mark is phonetically and visually similar to the registered  **NOVARTIS** mark of the plaintiff,
- (v) the goods in respect of which the plaintiff and defendant use the rival marks are identical goods, as both are used for pharmaceutical products, and
- (vi) the use, by the defendant, of the  **NOVARTIS** mark is likely to cause confusion in the minds of the public, or, at the very least, to induce a customer of average intelligence and imperfect recollection into believing an association between the defendant’s mark and the mark of the plaintiff.

44. Indeed, as I have already noted, if such a customer, at one point of time, sees the plaintiffs’ mark on a package of medicines, and, at later point of time, sees the defendant’s mark, there is every likelihood of the customer believing that the second mark was the same as the first mark which he had seen earlier in point of time. The

recollection of the mythical customer, it needs to be remembered, is imperfect.

45. As I have held, *prima facie*, that the defendants made a conscious attempt to copy the plaintiff's mark, the present case also calls for application of the principles enunciated in *Munday v. Carey*²³ and *Slazenger & Sons. v Feltham & Co.*²⁴

46. In *Munday*²³, Lindley LJ held that where there was an intent to confuse and the mark of the defendant was a copy of the mark of the plaintiff, one had to concentrate more on similarities rather than on dis-similarities.

47. *Slazenger*²⁴ carried the point a notch further by holding that, where the defendant had strained every nerve to make his mark as similar to the plaintiff's mark as would deceive the consumer, the court would presume that the attempt was successful rather than unsuccessful.

48. These principles, in the present case, apply on all fours, given the similarity of the marks and the fact that, even in the recitals contained on the defendant's website, the recital from the plaintiffs' website was copied to a substantial extent.

49. Reverting to Section 29, as the case falls squarely within the four corners of Section 29(2)(b) of the Trade Marks Act, a *prima facie* case of infringement is made out. Where such a *prima facie* case exists, the Supreme Court has in *Laxmikant V. Patel v. Chetanbhai*

²³ (1905) R.P.C. 273

²⁴ 16(1889) 6 RPC 531

*Shah*²⁵, and *Midas Hygiene Industries (P) Ltd v. Sudhir Bhatia*²⁶, held that an injunction must follow.

50. Insofar as the decision in *Mankind Pharma Ltd.*³ is concerned, I may note, in the first instance, that the view expressed in said decision is only a *prima facie* view at an interlocutory stage. The judgment, therefore, does not strictly possess precedential value and, if at all, is only required to be examined from the point of view of maintaining consistency.

51. A reading of the passages from *Mankind Pharma Ltd.*³, to which Mr. Jayant Kumar himself drew attention, reveal that the court was, in that case, essentially concerned with the applicability of Section 29(5). In fact, though, in para 9(E) of the said decision, the learned Single Judge has referred to Sections 29(1) to (4) and the reliance, by the plaintiff, on the said provisions, the subsequent discussion is completely devoted to Section 29(5).

52. I may also note, apropos paras 9(G) and (H) of the said decision, that Sections 29(1) to (4) do not refer to the use of the impugned mark by the defendant “as a trade mark”, but merely as a “mark”.

53. Section 29(6)²⁷, on which Mr. Jayant Kumar relied and which,

²⁵ (2002) 3 SCC 65

²⁶ (2004) 3 SCC 90

²⁷ 29. Infringement of registered trade marks.— *****

- (6) For the purposes of this section, a person uses a registered mark, if, in particular, he—
- (a) affixes it to goods or the packaging thereof;
 - (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;
 - (c) imports or exports goods under the mark; or
 - (d) uses the registered trade mark on business papers or in advertising.

to some extent, has also been relied upon in *Mankind Pharma Ltd.*³, is also of no applicability as it refers to the circumstances in which a person, for the purposes of Section 29, could be said to “use a registered mark”. As such, clauses (a) to (d) of Section 29(6) can be of no assistance in understanding the concept of usage, by the defendant, “of a mark” within the meaning of Sections 29(1) to (4).

54. In case, a reading of paras 9(S) and (U) of *Mankind Pharma Ltd.*³ also indicate that the court was, in the said case, essentially concerned with the applicability, of the case before it, of Section 29(5) of the Trade Marks Act. Even in paras 9(X) and (Y) of the decisions in *Mankind Pharma Ltd.*³, what the learned single Judge has held is that “*use of a trade name similar or deceptively similar to the registered trade mark would not constitute infringement under Section 29(5)*”.

55. Besides it is also significant that *Mankind Pharma*³ relied on the decision of the Division Bench of the High Court of Bombay in *Raymond*¹⁸ which was, thereafter, referred to a Full Bench and decided in the decision reported as *Cipla Ltd*¹⁹. In the said decision, comparing sub-sections (4) and (5) of the Trade Marks Act, the Full Bench held thus:

“For the reasons which we have set out earlier, we are unable to concur with the view expressed in the aforesaid highlighted portions of paragraphs 45.4 and 51 of the Judgment which otherwise is a very erudite opinion of the learned single Judge of the Delhi High Court. He has read into Sub-Section (4) the use of a trade mark as a part of corporate/trade/ business name. With greatest respect, Sub-Section (4) applies only when a mark is used during the course of trade in relation to goods or services which are not similar to those for which the trade mark is registered. By way of illustration, we may say that when a trademark “XYZ” is registered in respect of goods “A” is used while selling goods of the category “B” which are not similar to “A”, Sub-47 of 50 48 nms-2463.12 in suit-1906.12 Section (4) will apply if the other

conditions are satisfied. *Sub-Section (5) will apply when a trademark "XYZ" is registered in respect of the goods "A" and the Defendant uses "XYZ" as a part of the name of his business concern dealing in the goods similar to the goods in respect of which the trade mark is registered.*"

(Emphasis supplied)

56. The present case would fall within the italicised portion of the afore-extracted passage from the decision of the Full Bench in *Cipla*¹⁹.

57. Para 26 of the report of the judgment of the Coordinate Bench in *Atlas Cycles*²⁰ is predicated on the principles of equity. There can be no question of any equity vesting in favour of the defendant in view of the *prima facie* finding, already returned hereinabove, that the defendant has consciously sought to copy the registered trade mark of the plaintiff to the extent of replicating, to a substantial extent, the recitals contained on the website of the plaintiff.

58. I do not deem it necessary to enter seriously into Section 16(2) of the Companies Act, which operates in an entirely different sphere. The right of a plaintiff to seek injunction against infringement or passing off is a right in respect of which the Trade Marks Act is a self-contained Code. The right to seek rectification of the name of a company, provided in Section 16(2), besides being dependent on the view of the Central Government, to which an application is required to be made under the said provision, can hardly curtail the power of a court to adjudicate on a claim of infringement.

59. For the aforesaid reasons, I am of the considered opinion that the plaintiff has made out a *prima facie* case of infringement.


60. In the circumstances, let the plaint be registered as a suit.

- 61.** Issue summons in the suit.
- 62.** Summons are accepted, on behalf of defendant, by Mr. Jayant Kumar.
- 63.** Written statement, accompanied by affidavit of admission and denial of the documents filed by the plaintiff be filed within 30 days with advance copy to learned Counsel for the plaintiff who may file replication thereto, accompanied by affidavit of admission and denial of the documents filed by the defendants within 30 days thereof.
- 64.** List before the learned Joint Registrar (Judicial) for completion of the pleadings, admission and denial of documents and marking of exhibits on 23rd March 2023, whereafter the matter would be placed before the Court for case management hearing and further proceedings.

I.A. 3130/2023 (under Order XXXIX Rules 1 and 2 of CPC)

- 65.** Though arguments were advanced in detail by both sides, Mr. Jayant Kumar, to a query from the Court in that regard, prays that the present order be only made *ad interim*, as he desires to file a reply to the present application.
- 66.** As such, issue notice, returnable on 24th April, 2023 before the Court.
- 67.** Notice is accepted, on behalf of defendant, by Mr. Jayant Kumar,

68. Reply be filed within three weeks with advance copy to learned Counsel for the plaintiffs, who may file rejoinder thereto, if any, before the next date of hearing.

69. Till the next date of hearing, the defendant, and all others acting on its behalf, shall stand restrained from using the mark NOVAEGIS or  in any form or manner, whether as part of its brand name or trade name or as a part of corporate name which is displayed on the products of the defendant or on its website, or otherwise.

70. The present order shall remain in force till the next date of hearing.

71. The court would consider the aspect of continuance of the present order only after a reply is filed by the defendant and the parties are permitted to advance arguments thereon.

72. Mr. Jayant Kumar seeks liberty to move an application to dispose of the existing stocks.

73. He is permitted to do so. As and when the application is filed, it shall be decided on its own merits.

74. Let this order be uploaded on the website of this Court within 24 hours.

C. HARI SHANKAR, J.

FEBRUARY 20, 2023

dsn

Click here to check corrigendum, if any