



IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
CIVIL APPELLATE JURISDICTION  
APPEAL FROM ORDER NO. 915 OF 2023  
WITH  
INTERIM APPLICATION NO. 17040 OF 2023

Shantapa alias Shantesh S.  
Kalasgond  
V/s.

...Appellant

M/s. Anna

....Respondent

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**Mr. Hiren Kamod** a/w. Mr. Anees Patel, Mr. Prem Khular, Mr. Harsh Joshi i/by. Mr. Ajinkya Jaibhave, for the Appellant.

**Mr. Aditya Soni** a/w. Ms. Rama Somani, Mr. Kalyan D. Landge i/by. Mr. Chetan Alai, for the Respondent.

**CORAM : SANDEEP V. MARNE, J.**

**Resd. On : 08 November 2023.**

**Pron. On : 30 November 2023.**

**JUDGMENT :**

1. Appellant and Respondent have locked horns over use of the tradename 'Anna' for operating their respective eateries serving south Indian delicacies. The word 'Anna' may otherwise sound to be generic, used in many parts of the country, especially in the southern states, to address an elder brother or a person in position of brotherly affection or someone older. However, since the word 'Anna' is largely associated with

southern India, there appears to be growing tendency to name eateries serving idli, dosas and other south Indian delicacies with the word 'Anna'. This appears to be the reason why Plaintiff and Defendant claim exclusivity in the name 'Anna' by registering their respective trademarks. Plaintiff owns registered trademarks 'ANNA IDLI GRUHA',



and



whereas Defendant is the owner of registered trademark **ANNA**. Appellant/Plaintiff, an admitted prior user, seeks restraint order against Respondent/Defendant from using the mark **ANNA** for operating his restaurant in Pune, contending that use of the Mark amounts not only to infringement of Plaintiff's trademarks, but also passing off.


## THE CHALLENGE



2. The Appeal is filed challenging the Order dated 30 January 2022 passed by the District Judge-4, Pune rejecting the application at Exhibit-5 filed for grant of temporary injunction in the suit instituted by the Appellant-Plaintiff. In the application at Exhibit-5, Appellant-Plaintiff sought to temporarily restrain the Defendant from interfering, marketing, advertising and selling products or services under the trademark "Anna" identical, phonetically confusing or deceptively similar to Plaintiff's registered trademark 'Anna Idli' and to further restrain the Defendant from infringing Plaintiff's trademark or passing off products and service under Plaintiff's trademark.

## FACTS



3. Facts of the case, as captured from pleadings filed by the parties before the Trial Court, are that Plaintiff is a proprietary concern engaged *inter alia* in the business of providing services relating to manufacturing, marketing and serving of food products under the mark

‘ANNA IDLI GRUHA’,  and  etc. He claims use of

the trademark/device mark of  since 20 September 2011 under which mark, he has been manufacturing, marketing and serving various types of Idlis, Dosas and other South-Indian food products. Plaintiff filed applications for registration of trademarks/device marks of ‘Anna Idli Gruha’ and ‘Anna Idli’ under the provisions of the Trademarks Act, 1999 and that the Trademarks Registry has issued Certificates for trademark/device mark of ‘ANNA IDLI GRUHA’,


 and  in Plaintiff’s favour and this is how Plaintiff claims to be the registered proprietor of those trademarks/device marks.

4. It is Plaintiff’s case that in pursuance of the business activities of manufacturing, marketing and serving various types of idlis, dosas and other south Indian products under the trademarks “ANNA IDLI

GRUHA’,  and , he has established a wide setup and network in the country and as of now, he has set up outlets of ‘Anna Idli’ in various cities like Bijapur, Solapur, Pune, Nagpur etc. Plaintiff has

relied upon in the plaint, sales figure of business using the trademark since the year 2011-12 till the date of filing of the suit.

5. Plaintiff noticed that the Defendant was intending to start his business concern under the mark **ANNA** which according to the Plaintiff, is identical and visually, structurally and deceptively similar to

Plaintiff's registered trademark/device mark of . Plaintiff noticed a banner of the Defendant under the caption "Coming Soon" and noticed that the Defendant was planning to commence the same business as that of the Plaintiff by using the mark **ANNA**. With this cause of action, which allegedly arose on 29 September 2022, Plaintiff has instituted Regular Civil Suit (Trade Mark) No. 14 of 2022 before the District Court, Pune on/or about 1 October 2022 seeking to restrain the Defendant from use of the mark 'Anna' and for various reliefs for accounts, declarations and injunctions. The Defendant is impleaded in the Suit as "*M/s. Anna, Shirole Road, Opposite Hotel Sambhar, Pune, Maharashtra-411 004*". In his suit, Plaintiff filed an Application for temporary injunction under the provisions of Order 39, Rules 1 and 2 of the Civil Procedure Code to seek temporary injunction to restrain the Defendant from using the mark 'Anna' or carrying out business activities similar to that of the Plaintiff. One Mr. Indrasen Vilasrao Jachak appeared in the suit as Defendant and filed reply opposing the Application at Exhibit-5, *inter-alia*, contending that the Plaintiff's trademark 'Anna Idli Gruha' is subject to use only in Karnataka. That he did not conduct any business of 'Anna Idli' in the year 2014-15. That

he surpassed Examination Reports pertaining to his applications for registration. That no evidence was produced to demonstrate existence of business in Pune City or any other parts of Maharashtra except Solapur. The Defendant also contended that he has acquired ownership in the registered trademark 'ANNA' for valuable consideration of Rs.9,51,000/- vide Assignment Deed dated 25 May 2022. That use of the mark 'ANNA' does not amount to passing off since Plaintiff did not establish possession of goodwill or reputation. That the word 'Anna' is not exclusively associated with Plaintiff's business since there are numerous hotels and restaurants in Pune City and other parts of Maharashtra using the same name. That the owner of the trademark, Mr. Indrasen Vilasrao Jachak is not impleaded in the suit. On these broad defences, the application for temporary injunction was opposed.



6. The District Judge, after hearing both the sides has rejected Plaintiff's Application for temporary injunction by order dated 30 January 2023 which is subject matter of challenge in the present Appeal.

### **C. SUBMISSIONS**

7. Extensive submissions are made by the counsel appearing for the rival parties. It would be necessary to summarise the same.

#### **C.1 SUBMISSIONS ON BEHALF OF APPELLANT/PLAINTIFF**

8. Mr. Kamod the learned counsel would appear on behalf of the Plaintiff and submit that the Plaintiff has been using the marks "ANNA

IDLI GRUHA',  and  since the year 2011 whereas the Defendant was yet to start using the mark **ANNA** as on the date of filing of the suit. That since prior use by the Plaintiff is established, Plaintiff has made out a clear case of passing off. That prior registration of the mark "ANNA" by the predecessor-in-title of the Defendant is irrelevant and what is relevant is the adoption of the mark, which is admittedly at prior point of time by the Plaintiff. That the word "Anna" is a leading and essential feature of Plaintiff's trademark/device mark. That use of the word "ANNA" by the Defendant would undoubtedly confuse the customers and Defendant would make use of the goodwill and reputation established by the Plaintiff by deliberately using the leading and essential feature of Plaintiff's mark.

9. Mr. Kamod, would further invite my attention to the reply filed by the Defendant opposing the application for temporary injunction to demonstrate that the Defendant took conflicting defences. That in one breath, he relies on registration of trademark to claim exclusivity whereas he also contends that the word "Anna" is not exclusive to the Plaintiff on account of existence of several other restaurants in Pune City and other parts of Maharashtra. That Defendant cannot blow hot and cold by taking inconsistent pleas. In support of his submission that contradictory stands of exclusivity on account of registration and generic use of the work cannot be taken by a Defendant, Mr. Kamod would rely upon judgment of this Court in *Jagdish Gopal Kamath and Others V/s. Lime & Chilli Hospitality*

*Services* (2015) 4 AIR Bom R 272. He would rely upon judgment of this Court in *Pidilite Industries Limited V/s. Riya Chemy* MANU/MH/4645/2022 in support of his contention about estoppel from taking contradictory stands and heavy burden of proof about alleged use by third parties on the Defendant.

10. Mr. Kamod would then submit that the District Judge has erred in rejecting Plaintiff's application for temporary injunction on sole ground of representation made by Plaintiff at the time of registration of the mark 'Anna Idli Gruha'. That the representation made by Plaintiff's attorney that Plaintiff's mark did not resemble other marks cited in the search report by the Trademark Registry would not bind Plaintiff from seeking an order of injunction in action for passing off. He would submit that the principle of '*prosecution history estoppel*' would not apply to the present case. He would submit that the defences taken by a party at the time of registration of the trademark cannot be the sole reason for determining the correctness of claim for passing off and that such a claim is required to be adjudicated on the touchstone of all other factors which are germane to the claim of passing off. That an incorrect admission made contrary to the statute would not estop a party from maintaining an action for passing off. In support of his contentions, he would rely upon the following judgments:

(i) *Insecticides (India) Ltd. V/s. Parijat Industries (India) Pvt. Ltd.*, MANU/DE/2389/2018.

(ii) *H & M Hennes & Mauritz AB and Another V/s. HM Meghabrands Pvt. Ltd. And Others* (2018) 74 PTC 229.

(iii) *AMPM Designs V/s. Intellectual Property Appellate Board (Mumbai Bench) and Ors.* MANU/MH/4433/2021.

(iv) *Teleecare Network India Pvt. Ltd. V/s. Asus Technology Pvt. Ltd. And Ors.* MANU/DE/1838/2019.

11. Mr. Kamod would further submit that prior registration of Defendant's mark is an irrelevant factor and what is material is the prior user. That prior use is recognised superior to that of registration and that even a registered proprietor cannot disturb/interfere with the rights of prior user. That registration flows out of statutory right whereas the common law right of passing off is recognised superior to the statutory right of registration. That registration of trademark is no defence to a passing off action. That registration of a mark merely recognises a right which is already pre-existing in common law and does not create any right. That the common law right of passing off is merely recognised on account of registration of a mark. That the Courts have consistently recognised the common law right of passing off to be superior to the statutory right of registration. In support of these contentions, Mr. Kamod would rely upon the judgment of the Apex Court in *S. Syed Mohideen V/s. P. Sulochana Bai* (2016) 2 SCC 683.

12. Mr. Kamod would further submit that the stand taken by Plaintiff during the process of registration of the mark would not estop the owner of the mark from instituting a passing off action. According to him, the replies filed by the attorneys of the Plaintiff at the time of registration are cyclostyled. That such defences taken at the time



of registration are required to be restricted only with regard to the proceedings for registration and cannot apply to action instituted for passing off. That the applications filed by Plaintiff for registration of the mark and the defences taken by his attorney etc. are in public domain and therefore the Plaintiff could not have been accused of suppression by the Learned Judge of the District Court. That the learned Judge has erroneously refused to consider various factors demonstrating passing off on the part of the defendant by closing his mind only on solitary issue of estoppel. That the judgment of the Delhi High Court in ***S.K. Sachdeva & Another. Vs. Shri. Educare Limited and Another*** (2016) 65 PTC 614 is clearly distinguishable as the judgment would apply only in cases of willful and deliberate suppression. That in any case, the Division Bench of the Delhi High Court in ***S.K. Sachdeva*** considered merits of the claim and did not non-suit the Plaintiff on the ground of suppression. He would submit that a Single Judge of the Delhi High Court in subsequent decision in ***Teleecare Network India*** (supra) has distinguished the judgment in ***S.K. Sachdeva*** holding that the same would apply only in cases involving willful and deliberate concealment.

13. On the above broad submissions, Mr. Kamod would pray for setting aside the Order passed by the District Judge and for allowing the Application filed by the Plaintiff at Exhibit-5 for grant of temporary injunction.

## C. 2 SUBMISSIONS ON BEHALF OF RESPONDENT/DEFENDANT

14. Mr. Soni, the learned counsel would appear on behalf of the Respondent/Defendant to oppose the Appeal and submit that after applying the basic principles governing grant of temporary injunction to the facts of the present case, no case was made out by the Plaintiff for grant of temporary injunction. That for claiming discretionary relief of temporary injunction, Plaintiff ought to have approached the Court with clean hands whereas he chose to suppress the contradictory defences taken by him at the time of seeking registration of marks. That it is well established principle that a person who does not come to the Court with clean hands is not even entitled to be heard on merits. In support of his contention, he would place reliance on the judgment of the Apex Court in *Ramjas Foundation and Another V/s. Union of India and Others*, (2010) 14 SCC 38. He would counter the submission of the Plaintiff that the necessary information relating to registration process is under public domain by contending that the Plaintiff cannot decide as to what should be disclosed and what not. Relying on the judgment of the Apex Court in *Bhaskar Laxman Jadhav and Others V/s Karamveer Kakasaheb Wagh Education Society and Others* (2013) 11 SCC 531, Mr. Soni would contend that the litigants cannot decide what fact is material for adjudicating a case and what is not material and that it is obligatory for him/her to disclose all facts of the case.

15. Mr. Soni would then highlight the aspect of delay on the part of the Plaintiff in instituting the present Appeal. He would submit that though injunction was refused on 30 January 2023, Plaintiff filed

the present Appeal in April 2023 and sought circulation thereof in November 2023 demonstrating thereby that there is no urgency for grant of any temporary injunction. During the time gap, Plaintiff started his outlet at Fergusson College Road, Pune in December 2022 and has now established his own reputation and has done the business in excess of Rs.5 crores. That the popularity is earned by the Defendant not on account of use of the word "ANNA" but because of quality and taste of the products served at the Restaurant. That Plaintiff has suppressed the fact that he has sought stay of his own suit by filing an application under Section 124 of the Trademarks Act on 13 March 2023, which demonstrates reluctance on the part of the Plaintiff to continue with the trial. That these factors would demonstrate implied consent and acquiescence on the part of the Plaintiff to use of the mark "ANNA" by the Defendant. That the suit is bad for non-joinder of necessary party as despite disclosing the name of the registered owner of the mark, Plaintiff failed to implead him as party Defendant to the suit. That the suit is vaguely filed in the name of 'M/s. Anna' which is a non-existent entity.

16. Mr. Soni would accuse Plaintiff of committing fraud on Court by suppressing material facts. He would invite my attention to the reply dated 5 February 2023 signed by Mr. Shantesh S. Kalasgond, proprietor of mark 'Anna Idli Gruha' stating that the service mark 'Anna Idli Gruha' does not resemble with other marks cited in the search report, which included Defendant's mark 'ANNA'. That this falsifies the defence taken of filing of cyclostyled reply by Plaintiff's attorney. That the stand of Plaintiff's mark not resembling with that of the Defendant

has been repeatedly taken in various registration applications and Plaintiff cannot wriggle out of that stand by attempting to blame his attorney. He would rely upon Judgment of this Court in ***PhonePe Private Limited V/s. Resilient Innovations Private Limited*** Interim Application (L) No. 25032/2021 in Commercial IP Suit No. 160/2022 decided on 6 April 2023 in support of his contention that the aspect of '*prosecution history estoppel*' assumes significance in the facts of the present case and contradictory defences taken at the time of registration of the mark cannot be ignored altogether even while considering the action for passing off. He would also place strong reliance on the judgment of Division Bench of the Delhi High Court in ***S.K. Sachdeva*** (supra).

17. Mr. Soni would further submit that Plaintiff does not have any wide business network as falsely suggested. That there was no restaurant of the Plaintiff operational in Pune. Mere operation of some Restaurant at Bijapur or Solapur cannot establish earning of any reputation or cause of any confusion in the minds of patrons at Pune. Mere production of sales figures would not prove that Plaintiff has indeed established wide network of Restaurants. That there is no evidence of any expenditure on advertisement. That the Certificate of Chartered Accountant produced by the Plaintiff shows 'Nil' business in the year 2014-15. That the sales figure pleaded in the plaint in the year 2020-21 are ex-facie false as it was impossible for the Plaintiff to generate more sales during Covid-19 outbreak in 2020-21 than the year 2019-20.



18. Mr. Soni would further submit that the Deed of Assignment of the Defendant acquiring the Mark has not been challenged in the Suit. That even if the claim of prior use of the Mark is established, Plaintiff has not satisfied the other tests of irreparable loss and balance of convenience. That there are no pleadings in support of the claim of misrepresentation by the Plaintiff or establishment of any goodwill. That it is impossible to believe that on account of operation of Restaurant by the Plaintiff at Solapur, the patrons at Pune are likely to get confused.

19. Lastly, Mr. Soni would submit that the scope of interference by Appellate Court in the exercise of discretion by the Trial Court while refusing interim injunction is extremely narrow. Placing reliance on the judgment of the Apex Court in *Punjab and Sind Bank V/s Frontline Corporation Ltd.* AIR 2023 SC 2786, he would urge for non-interfere in the discretion exercised by the Trial Court. He would pray for dismissal of the Appeal.

20. Rival contentions of the parties now fall for my consideration.


#### D. REASONS AND ANALYSIS


21. In the present case, both Plaintiff as well as Defendant are registered owners of their respective trademarks. Therefore, *prima facie* the case does not involve infringement of Plaintiff's trademark by the Defendant. What Plaintiff essentially contends is that he has been using

the trademarks 'ANNA IDLI GRUHA'  and  at a prior point of time than the Defendant and that therefore the act of the Defendant in selling his goods and services under the mark **ANNA** amounts to passing off. Before adverting to the issue of passing off, it would be first necessary to consider the issue of registration of trademarks of Plaintiff and the Defendant.


#### D. 1 REGISTRATION OF TRADEMARKS OF PLAINTIFF

22. On 7 December 2011, Plaintiff filed two applications bearing Application No. 2216339 for trademark/device mark 'ANNA

IDLI GRUHA' and Application No. 2216340 for trademark  in Class-43 in respect of providing food and hospitality services in the name of Mr. Shantesh S. Kolasgond as proprietor of M/s. Shubhashree Hospitality with address at Hotel Shubha Sagar, Plot No.10, Near NCC Office Solapur Road, Bijapur Karnataka. Both the trademarks came to be registered in favour of the Plaintiff. On 15 June 2016, Plaintiff filed

another application for registration of the trademark-  vide Application No. 3286351 in Class-43 which came to be registered in his name vide Certificate dated 31 March 2017. Plaintiff has filed another

application No. 5088368 on 14 August 2021 for registration of the

trademark  which is pending for adjudication.

23. So far as Defendant's Trademark **ANNA** is concerned, one Mr. Vinamra Navnitlal Shah had applied for registration of the trademark **ANNA** on 23 August 2011 vide Application No. 2194047 in Class No.43 which came to be registered on 25 August 2015 vide Registration No. 1228972. After the death of Mr. Vinamra Navnitlal Shah, the Mark was transferred in the name of his wife, Mrs. Namita Shah. Mr. Indrasen Vilasrao Jachak entered into Deed of Assignment of Trademark on 25 May 2022 with Mrs. Namita Shah, by which the ownership of trademark **ANNA** came to be assigned in favour of Mr. Indrasen Vilasrao Jachak for consideration of Rs.9,51,000/-. This is how, Shri. Indrasen Vilasrao Jachak claims ownership in the mark **ANNA**.

24. Before proceeding further, it must be observed here that the Plaintiff has filed Regular Civil Suit (Trade Mark) No. 14 of 2022 by describing Defendant as "*M/s. Anna, Shirole Road, Opposite Hotel Sambar, Pune, Maharashtra- 411004*". In the plaint, the Plaintiff has averred that he was not aware about the exact constitution of the Defendant and called upon the Defendant to furnish the name(s) of its proprietors/partners/directors for amending the plaint. It appears that upon service of suit summons, Mr. Indrasen Vilasrao Jachak appeared in the suit as Defendant and provided the necessary information to the Plaintiff about him. However, it appears that the Plaintiff did not amend





the plaint and pressed the application at Exhibit-5 for temporary injunction by continuing the same description of the Defendant. It must also be observed here that in the written statement filed by Mr. Indrasen Vilasraon Jachak on 9 March 2023, it is averred that he has commenced the business in the month of December 2022 in collaboration with a partnership firm by name Bamburde Hospitality LLP and that he has permitted Bamburde Hospitality LLP to use the trademark/brand name **ANNA** on its premises by granting license dated 3 October 2022. Thus it appears that in pursuance of the License Agreement dated 3 October 2022, Bamburde Hospitality LLP is the actual user of the trademark **ANNA**. However, it appears that despite providing such details, the Plaintiff has not amended the plaint for impleading either Mr. Indrasen Vilasraon Jhachak or Bamburde Hospitality LLP as Defendant(s) to the suit. Be that as it may. Mr. Indrasen Vilasraon Jachak has appeared in the suit and has filed written statement and has defended the application for temporary injunction. Even in the present Appeal, the Respondent is impleaded as 'M/s. Anna', but Mr. Indrasen Vilasrao Jachak has appeared and has defended the appeal as well.

## D. 2 PRIOR USE BY PLAINTIFF

25. As observed above, both Plaintiff and Defendant are owners of their respective registered trademarks. Plaintiff is registered owner of


trademarks 'ANNA IDLI GRUHA',  and , whereas




Defendant is the owner of the trademark **ANNA**. Plaintiff claims to be using trademarks 'ANNA IDLI GRUHA',  since 28 September 2011. He has placed on record copy of invitation card by which the first outlet of  was commenced at 8-9, Lily Corner, Morarji Road, Saraswati Peth, Solapur on 28 September 2011. Plaintiff has also placed on record Certificate of Chartered Accountant showing audited results of the business 'Anna Idli Gruha' since the Financial Year 2011-12. He has also placed on record copies of Income Tax Returns of 'Anna Idli Gruha' since the Financial Year 2011-12. Thus, the Plaintiff is apparently doing the business under the tradename 'Anna Idli Gruha' since 28 September 2011. As against this, though Defendant's trademark **ANNA** is registered on 25 August 2015 in pursuance of application dated 23 August 2011, Defendant has neither averred nor placed on record any document to show that the said mark **ANNA** was put to use immediately after filing the application or after the registration. It is Defendant's case that, a license for use of the mark **ANNA** came to be granted to Bamburde Hospitality LLP on 3 October 2022 and accordingly Defendant, has started using the mark **ANNA** by commencing the business sometime in December 2022. Thus, prior use of the trademarks 'ANNA IDLI GRUHA',  and  by Plaintiff is proved.


26. However, there appears to be a minor catch here. Plaintiff's prior use of the mark in the year 2011 is in respect of the mark 'ANNA



IDLI GRUHA' and  whereas the Suit is filed in respect of the

Plaintiff's trademark, . As observed above, Plaintiff's trademark


 has been registered in pursuance of Application made on 15 June

2016 and the mark  appears to have been registered vide Certificate No. 1519772 dated 31 March 2017. There is no clarity in the pleadings or the documents as to the exact date from which the

trademark  is put to use by the Plaintiff. Plaintiff has averred in the plaint that he has expanded his business in Maharashtra (Solapur and Pune) Karnataka (Bijapur). In the supporting documents filed along with the plaint, some photographs of outlets in Pune at Baner, Kharadi, DP Rd and Market Yard as well as in Nagpur and Vijayapura (Karnataka) are produced. The said photographs show display of the



trademark  and not . The suit is filed on/or about 1 October 2022 when Defendant had merely put a banner at the venue intending to commence the business with trademark **ANNA**. It therefore appears that even in respect of the mark 'Anna Idli', Plaintiff

had already started using the same prior to commencement of the business with the mark **ANNA** by the Defendant. Therefore, even

*qua* the mark  prior usage by the Plaintiff is *prima-facie* demonstrated.

### D. 3. COMMON LAW RIGHT OF PASSING OFF SUPERIOR TO STATUTORY RIGHT OF INFRINGEMENT

27. Having made out a case of prior usage of the trademarks

**ANNA IDLI GRUHA**,  and , the issue is whether Plaintiff has made out any *prima-facie* case against the Defendant for passing off. Even though both Plaintiffs are owners/proprietors of their respective Marks, registration of a trademark is mere recognition of pre-existing common law right. The distinction between statutory right arising out of registration and common law right of passing off has been dealt with by the Apex Court in *S. Syed Mohideen* (supra). The Apex Court has held as under:

30. **Firstly**, the answer to this proposition can be seen by carefully looking at the provisions of the Trade Marks Act, 1999 (the Act). Collective reading of the provisions especially Sections 27, 28, 29 and 34 of the Trade Marks Act, 1999 would show that the rights conferred by registration are subject to the rights of the prior user of the trade mark. We have already reproduced Section 27 and Section 29 of the Act.

30.1. From the reading of Section 27(2) of the Act, it is clear that the right of action of any person for passing off the goods/services of another person and remedies thereof are not affected by the provisions of the Act. **Thus, the rights in passing off are emanating from the common law and not from the provisions of the Act and they are independent from the rights conferred by the Act.** This is evident from the reading of the opening words of Section 27(2) which are “Nothing in this Act shall be deemed to affect rights....”

30.2. Likewise, the registration of the mark shall give exclusive rights to the use of the trade mark subject to the other provisions of this Act. Thus, the rights granted by the registration in the form of exclusivity are not absolute but are subject to the provisions of the Act.

30.3. Section 28(3) of the Act provides that the rights of two registered proprietors of identical or nearly resembling trade marks shall not be enforced against each other. However, they shall be same against the third parties. Section 28(3) merely provides that there shall be no rights of one registered proprietor vis-à-vis another but only for the purpose of registration. **The said provision 28(3) nowhere comments about the rights of passing off which shall remain unaffected due to overriding effect of Section 27(2) of the Act and thus the rights emanating from the common law shall remain undisturbed by the enactment of Section 28(3) which clearly states that the rights of one registered proprietor shall not be enforced against the another person.**

30.4. Section 34 of the Trade Marks Act, 1999 provides that nothing in this Act shall entitle the registered proprietor or registered user to interfere with the rights of prior user. Conjoint reading of Sections 34, 27 and 28 would show that the rights of registration are subject to Section 34 which can be seen from the opening words of Section 28 of the Act which states “Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor....” and also the opening words of Section 34 which states “Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere....” **Thus, the scheme of the Act is such where rights of prior user are recognised superior than that of the registration and even the registered proprietor cannot disturb/interfere with the rights of prior user. The overall effect of collective reading of the provisions of the Act is that the action for passing off which is premised on the rights of prior user generating a goodwill shall be unaffected by any registration provided under the**

**Act.** This proposition has been discussed in extenso in N.R. Dongre v. Whirlpool Corpn. [N.R. Dongre v. Whirlpool Corpn., 1995 SCC OnLine Del 310 : AIR 1995 Del 300] wherein the Division Bench of the Delhi High Court recognised that the registration is not an indefeasible right and the same is subject to rights of prior user. The said decision of Whirlpool [N.R. Dongre v. Whirlpool Corpn., 1995 SCC OnLine Del 310 : AIR 1995 Del 300] was further affirmed by the Supreme Court of India in N.R. Dongre v. Whirlpool Corpn. [N.R. Dongre v. Whirlpool Corpn., (1996) 5 SCC 714]

30.5. The above were the reasonings from the provisions arising from the plain reading of the Act which gives clear indication that the **rights of prior user are superior than that of registration and are unaffected by the registration rights under the Act.**

31.**Secondly**, there are other additional reasonings as to why the passing off rights are considered to be superior than that of registration rights.

31.1. Traditionally, passing off in common law is considered to be a right for protection of goodwill in the business against misrepresentation caused in the course of trade and for prevention of resultant damage on account of the said misrepresentation. The three ingredients of passing off are goodwill, misrepresentation and damage. These ingredients are considered to be classical trinity under the law of passing off as per the speech of Lord Oliver laid down in Reckitt & Colman Products Ltd. v. Borden Inc. [Reckitt & Colman Products Ltd.v. Borden Inc., (1990) 1 WLR 491 : (1990) 1 All ER 873 (HL)] which is more popularly known as “Jif Lemon” case wherein Lord Oliver reduced the five guidelines laid out by Lord Diplock in Erven Warnink Besloten Vennootschap v. J. Townend & Sons (Hull) Ltd. [Erven Warnink Besloten Vennootschap v. J. Townend & Sons (Hull) Ltd., 1979 AC 731 at p. 742 : (1979) 3 WLR 68 : (1979) 2 All ER 927 (HL)] (“the Advocaat case”) to three elements: (1) goodwill owned by a trader, (2) misrepresentation, and (3) damage to goodwill. Thus, the passing off action is essentially an action in deceit where the common law rule is that no person is entitled to carry on his or her business on pretext that the said business is of that of another. This Court has given its imprimatur to the above principle in Laxmikant V. Patel v. Chetanbhai Shah [Laxmikant V. Patel v. Chetanbhai Shah, (2002) 3 SCC 65] .

31.2. The applicability of the said principle can be seen as to which proprietor has generated the goodwill by way of use of the mark/name in the business. The use of the mark/carrying on business under the name confers the rights in favour of the person and generates goodwill in the market. Accordingly, the latter user of the mark/name or in the business cannot misrepresent his business as that of business of the prior right holder. That is the reason why essentially the prior user is considered to be superior than that of any other rights. Consequently, the examination of rights in common law which are based on goodwill, misrepresentation and damage are independent to that of registered rights. The mere fact that both prior user and subsequent user are registered proprietors are irrelevant for the purposes of examining who generated the goodwill first in the market and whether the latter user is causing misrepresentation in the course of trade and damaging the goodwill and reputation of the prior right holder/former user. That is the additional reasoning that the statutory rights must pave the way for common law rights of passing off.

32. **Thirdly**, it is also recognised principle in common law jurisdiction that **passing off right is broader remedy than that of infringement**. This is due to the reason that the passing off doctrine operates on the general principle that no person is entitled to represent his or her business as business of other person. The said action in deceit is maintainable for diverse reasons other than that of registered rights which are allocated rights under the Act. The authorities of other common law jurisdictions like England more specifically Kerly's Law of Trade Marks and Trade Names, 14th Edn., Thomson, Sweet & Maxwell South Asian Edition recognises the principle that where trade mark action fails, passing off action may still succeed on the same evidence. This has been explained by the learned author by observing the following:

“15-033. A claimant may fail to make out a case of infringement of a trade mark for various reasons and may yet show that by imitating the mark claimed as a trade mark, or otherwise, the defendant has done what is calculated to pass off his goods as those of the claimant. A claim in ‘passing off’ has generally been added as a second string to actions for infringement, and has on occasion succeeded where the claim for infringement has failed.”

32.1. The same author also recognises the principle that the Trade Marks Act affords no bar to the passing off action. This has been explained by the learned author as under:

“15-034. Subject to possibly one qualification, nothing in the Trade Marks Act, 1994 affects a trader's right against another in an action for passing off. It is, therefore, no bar to an action for passing off that the trade name, get up or any other of the badges identified with the claimant's business, which are alleged to have been copied or imitated by the defendant, might have been, but are not registered as, trade marks, even though the evidence is wholly addressed to what may be a mark capable of registration. Again, it is no defence to passing off that the defendant's mark is registered. The Act offers advantages to those who register their trade marks, but imposes no penalty upon those who do not. It is equally no bar to an action for passing off that the false representation relied upon is an imitation of a trade mark that is incapable of registration. A passing off action can even lie against a registered proprietor of the mark sued upon. The fact that a claimant is using a mark registered by another party (or even the defendant) does not of itself prevent goodwill being generated by the use of the mark, or prevent such a claimant from relying on such goodwill in an action against the registered proprietor. Such unregistered marks are frequently referred to as ‘common law trade marks’.”

32.2. From the reading of the aforementioned excerpts from Kerly's Law of Trade Marks and Trade Names, it can be said that not merely it is recognised in India but in other jurisdictions also including England/UK (Provisions of the UK Trade Marks Act, 1994 are analogous to the Indian Trade Marks Act, 1999) **that the registration is no defence to a passing off action and nor the Trade Marks Act, 1999 affords any bar to a passing off action.** In such an event, the rights conferred by the Act under the provisions of Section 28 have to be subject to the provisions of Section 27(2) of the Act and thus the passing off action has to be considered independent “Iruttukadai Halwa” under the provisions of the Trade Marks Act, 1999.

33.2. We uphold the said view which has been followed and relied upon by the courts in India over a long time. The said views emanating from the courts in India clearly speak in one voice, which is, that the rights in common law can be acquired by way of use and the registration rights were introduced later which made the rights granted under the law equivalent to the public user of such mark. **Thus, we hold that registration is merely a recognition of the rights pre-existing in common law and in case of conflict between the two registered proprietors, the evaluation of the better rights in common law is essential as the common law rights would enable the court to determine whose rights between the two registered**

**proprietors are better and superior in common law which have been recognised in the form of the registration by the Act.**

33.**Fourthly**, it is also a well-settled principle of law in the field of the trademarks that the registration merely recognises the rights which are already pre-existing in common law and does not create any rights.....

*(emphasis and underlining supplied)*

28. Thus it is now well settled principle that registration of trademark merely recognizes the pre-existing rights in common law and that in case of conflict between two registered proprietors, it is common law right which would enable a Court to determine superiority of rights between two registered proprietors. It is by relying upon the judgment of the Apex Court in ***S. Syed Mohideen*** that Mr. Kamod contends that the moment common law right of passing off is established by the Plaintiff, grant of injunction against the Defendant who fails to prove prior usage, is a natural corollary. According to Mr. Kamod, the learned District Judge has erroneously restricted himself to only the issue of estoppel based on the stand taken by the Plaintiff during registration of the trademark when he is required to consider whether the Plaintiff has made out a strong case in support of his common law right of passing off. According to Mr. Kamod, entitlement of the Plaintiff for temporary injunction is required to be decided not on the basis of the plea raised at the time of registration but by taking into consideration strong *prima facie* case demonstrated in respect of the plea for passing off based on three factors of goodwill, mis-representation and damage. He has urged that since the common law right of passing off is superior to the statutory right of registration, the stand taken by the Plaintiff at the time



of registration of the trademark cannot stop the Court from considering the case made out by Plaintiff for granting injunction on plea for passing off.

#### **D. 4 REPRESENTATION MADE BY PLAINTIFF WHILE REGISTRATION OF HIS MARKS**

29. Perusal of the order passed by the learned District Judge would indicate that temporary injunction is refused essentially by taking into account conduct of the Plaintiff in suppressing the stand taken by him at the time of registration and by applying the principle of estoppel. The learned District Judge has recorded following reasons for refusal of temporary injunction:

33)The defendant has produced on record documents with list Exh.19. It appears that on 25/9 / 2011 the plaintiff had applied for trademark 'ANNA IDLI GRUHA'. On 27/11 / 2012 the Trademark Registry has raised certain objections. One of the objections was that said trademark was identical with earlier trademarks. List of such trademarks was given by the Trademark Registry along with objections which includes the trademark 'ANNA' registered in the name of Mr. Shah. To such objections, the plaintiff has replied on 15/04/2016 that the trademark 'ANNA IDLI GRUHA' does not resemble with other marks cited in the search report of the Trademark Registry and so the plaintiff's trademark is not likely to deceive or cause confusion. It was not deceptively similar to the other marks included in the search report and so there was no question of conflict. Similarly, the plaintiff had also applied for the trademark ANNA and similar objections were raised by Trademark Registry. Registry has again given a list of trademarks in support of its objections which has also covered trademark 'ANNA' registered in the name of Mr. Vinamra Shah. Similar reply was given by the plaintiff to the Trademark Registry on this occasion also.

34] It needs to be mentioned that despite being aware of these facts, the plaintiff has not brought these circumstances on the record of present case. This is a willful suppression of material fact by the plaintiff.

35] In similar circumstances, in S. K. Sachdeva & Anr.'s case, the Honourable Delhi High Court has rejected injunction while observing that once a person has taken a categorical stand that a trademark does not resemble with other trademarks, he cannot reprobate.


36] In this case also the plaintiff has represented/the Trademark Registry that its trademarks are not similar to the trademarks registered earlier with the Trademark Registry and so there was no case of deception or confusion. Thus, now the plaintiff cannot say before the Court that the trademarks are deceptively similar or would create confusion amongst the common men.

37] Advocate for the plaintiff submitted that Telecare Network India Pvt Ltd.'s has considered S. K. Sachdeva & Anr.'s case and held that since the examination reports are available in public domain, there was no suppression.

38] Here it needs to be mentioned that despite noticing that the examination reports were available in public domain, in S. K. Sachdeva's case, the Honourable Delhi High Court has observed that the respondents therein were guilty of suppression of material facts. In view of this, considering the view taken by the Honourable Division Bench of the Honourable Delhi High Court, in this case also it has to be held that the plaintiff has suppressed material fact which amounts to playing fraud upon the Court. Thus, the plaintiff's conduct is such that he is not entitled to the equitable and discretionary relief of injunction as sought.

39] When it is crystal clear that the plaintiff has attempted to play fraud upon this Court and so is not entitled to injunction, other grounds raised need not be gone into. Consequently, I hold that no prima facie case exists in the plaintiff's favour. The balance of convenience does not lie in his favour and that he has failed to make out a case of suffering irreparable loss in case injunction is refused. Hence, I answer points no.1 to 3 in the negative and in response to point no.4, I pass following order.

30. Thus, the only reason why the learned District Judge has proceeded to reject Plaintiff's application for temporary injunction is on account of willful suppression of material facts and representation made to the Trademark Registry about dissimilarity between the two marks at the time of registration. Before adverting to the issue of Plaintiff's conduct in not disclosing material particulars about the stand taken by him during registration process and its effect on Plaintiff's entitlement for temporary injunction, it would be appropriate to examine the history of registration of Plaintiff's trademarks.

31. As observed above, Plaintiff filed two applications bearing Nos. 2216339 and 2216340 on 7 October 2011 for registration of two trademarks, 'ANNA IDLI GRUHA' and . On 27 November 2012, the Registrar of Trademarks, Chennai issued communications to the trademark Attorney of the Plaintiffs, stating that both applications were liable to be refused by drawing his attention to the word trademark search report in respect of both the trademarks. Both the search reports reflected registration of various other Marks such as 'Anna's Cafe', 'Anna', 'Anna UNAVAGAM', 'Anna Swamy' etc. Both the search reports also included defendants Mark **ANNA**, which at that time was marked for examination. Though the objections were raised in respect of both the Marks in Application Nos. 2216339 and 2216340, Plaintiff gave

reply only in respect of Application No.2216339 for the mark



on 5 February 2013. His reply reads thus:

05-02-2013

To,  
The Registrar of Trade Mark,  
Trade Mark Registry, Chennai.

Sub: My Service Mark Application No. 2216339 in Class-43 Service Mark  
"ANNA iDLi GRUHA."

Ref: Your examination Report dated 12-09-2012.

With reference to the above, I live to reply to you as follows:

1. As regard to objection under Section 11 of your letter, I would like to inform you that my service mark "ANNA iDLi GRUHA", does not resemble, with other mark as cited in the search report which is likely to deceive or confusion. As such my mark cannot be deemed to be 'deceptively similar' to the other mark enclosed in the search report. There is no question of conflict and the same may be overlooked
2. Also my mark "ANNA iDLi GRUHA" is adopted & used with honest and ethical means which qualifies for the registration under Section 12 of the Service Marks Act, 1999. There is no question of conflict with respect to goods and the same may be overlooked.
3. In view of the above, I respectfully pray for advertisement of my mark with the heading "advertised before acceptance" in your journal at the earliest.
4. In any case, I pray that no final adverse order be passed without properly hearing us in the matter.

FOR. M/S SHUBHASHREE ANNA IDLI GRUHA.

Sign/-


MR. SHANTESH S. KALASGOND  
(Proprietor)

32. Plaintiff thus took a specific stand that his Mark



did not resemble with other marks cited in the search report and that his mark was not likely to deceive or create any confusion. So far as Application No.2216340 for the Mark “**ANNA IDLI GRUHA**” is concerned, the objection was replied almost four years later on 15 April 2016 by Plaintiff’s attorney stating in para-4 as under:

4. We would like to inform you that our Trade mark does not resembles with other marks as cited in the search report which is likely to deceive or cause confusion. As such our mark cannot be deemed to be ‘deceptively similar’ to the other mark enclosed in the search report. There is no question of conflict and the same may be overlooked.

33. Thus, in respect of both the marks  (Application No. 2216339) and ‘**ANNA IDLI GRUHA**’ (Application No. 2216340), Plaintiff took a specific stand that the said marks did not resemble with any of the marks cited in the search reports, which included the mark of the Defendant **ANNA** as well. After taking into consideration this stand of the Plaintiff, both the marks of Plaintiff came to be registered by the Trademark Registry.

34. It was Defendant’s case before the learned District Judge that once the Plaintiff represented before the Trademark Registry that his marks did not resemble with Defendant’s mark, he is estopped from suing the Defendant for using the Mark **ANNA**. Defendant has also accused Plaintiff of suppressing the replies filed by him before the Trademark Registry at the time of seeking registration of his marks.

35. As observed above, the learned District Judge has refused injunction essentially by taking into consideration the factors of suppressing of facts and representation made by the Plaintiff to the Trademark Registry. Mr. Kamod is at pains to point out that the stand taken by the Plaintiff at the time of registration of the trademark is irrelevant for the purpose of determining Plaintiff's entitlement in an action for passing off. According to Mr. Kamod, the stand taken by the Plaintiff at the time of seeking registration of the trademark is wholly irrelevant factor for considering entitlement for grant of injunction in action for passing off. On the other hand, it is Mr. Soni's contention that the representation made to the Trademark Registry about this dissimilarity between the two Marks would clearly disentitle the Plaintiff from seeking any temporary injunction. Both the sides have relied upon judgments in support of their respective contentions.

36. In both the replies filed by the Plaintiff before the Registrar of Trademarks on 5 February 2013 and 15 April 2016, the stand taken by the Plaintiff is that his marks did not resemble with other marks cited in the search reports. Undoubtedly, Defendant's trademark **ANNA** was reflected in the search report by the Trademark Registry. It essentially means that the stand taken by the Plaintiff in his replies dated 5 February 2013 and 15 April 2016 is that his both the marks



and 'ANNA IDLI GRUHA' do not resemble Defendant's trademark **ANNA**. It must be noted that marks of the Plaintiff and Defendant are in same class and for supply of same category of goods

and services. Knowing this position well, Plaintiff took a conscious defence before the Trademark Registry on 5 February 2013 and 15 April 2016 that his marks did not resemble with the Defendant's mark. He further stated that his mark was not likely to deceive or cause confusion with the mark of the Defendant and that both cannot be treated as deceptively similar. He further made a representation that there was no conflict and that the Defendant's mark be overlooked for the purpose of registration of Plaintiff's trademarks. Plaintiff thus acquiesced in the position that other persons/entities, including Defendant could carry on their businesses with their respective marks, which included the essential and unique feature of the word 'Anna'. Plaintiff thus had no objection to Defendant's predecessor-in-title using the Mark **ANNA** for doing business of manufacturing, selling and servicing the same food products. By filing those replies, Plaintiff believed that his customers were not likely to be confused or misrepresented even if Defendant's predecessor-in-title was to start a restaurant using the Mark **ANNA**.

#### D. 5 DOCTRINE OF 'PROSECUTION HISTORY ESTOPPEL'

37. Having made a representation for securing registration of its Marks that the same does not resemble the Defendant's Mark, the issue is whether Plaintiff can now be estopped from seeking injunction against Defendant from using its Mark **ANNA**. To paraphrase, whether Plaintiff's stand while securing registration of his Marks would

now continue to haunt him in passing off action initiated against Defendant?

38. The doctrine of *prosecution history estoppel* predominantly used in patent infringement actions is now being increasingly applied to trademark infringement actions as well. By now there is plethora of precedents about applicability of the doctrine to trademark infringement and passing off actions, to which a reference is being made little later. The doctrine of *prosecution history estoppel* seeks to estop a person from claiming any advantage associated with a right which he has consciously waived in previous proceedings. It essentially emanates out of the doctrine of estoppel laid down under Section 115 of the Indian Evidence Act, 1872, which reads thus:

**115. Estoppel.** — When one person has, by his declaration, act or omission, intentionally caused or permitted another person to believe a thing to be true and to act upon such belief, neither he nor his representative shall be allowed, in any suit or proceeding between himself and such person or his representative, to deny the truth of that thing.

39. It would now be necessary to make a reference to various decisions wherein effect of admissions given during registration of trademark on entitlement of Plaintiff for injunction, in infringement or passing off actions, has been discussed.

40. In *S.K. Sachdeva* (supra) the Plaintiff therein had applied for registration of the mark THE SHRI RAM EDUCARE and the



Trademark Registry had raised an objection that there were several trademarks already registered with the word SHRI RAM. In response, the Plaintiff took a stand that the word 'SHRI RAM' being the name of Hindu deity and that no one could claim proprietorship to such a name and that the word SHRI RAM was common to the trade. Just before filing the suit against Defendant, Plaintiff attempted to withdraw the said admission. This admission was however suppressed in the plaint. The Single Judge had granted injunction by ignoring such admission. The Division bench, however, held that such a conduct on the part of the Plaintiff in concealing the admission given before the Trademark Registry disentitled him from claiming any discretionary relief and vacated the order of temporary injunction. The Division bench held in Paras- 17 and 18 of the Judgment as under:

17. The learned Single Judge while considering the withdrawal letter dated 15.04.2014 has erred in not appreciating that the same was concealment of a material fact having bearing on the case of the respondent/ plaintiff. The mere fact that the appellants themselves have applied for registration of its trademark does not, in any manner, help the case of the respondents. What is material is the stand taken by the respondents in the plaint and in other proceedings and not the conduct of the appellants/defendants. A party who approaches the Court for grant of a discretionary relief has to approach the Court with clean hands. The respondents clearly did not do so.

18. We are of the view that the interim Injunction is liable to be vacated in view of various factors. First of all, the respondents themselves have taken a categorical stand that the word 'SHRI RAM' is the name of a popular figure and deity in Hinduism and no one proprietor can claim exclusive rights on the mark 'SHRI RAM. Secondly, their stand that the mark 'SHRI RAM' is common to trade and several 'SHRI RAM' formulative marks are peacefully co-existing on the register of trademark. Thirdly, the appellants have prima facie shown that there were several schools in existence using the name 'SHRI RAM' in existence even prior to the adoption of the mark by the respondents. Fourthly, the respondents are guilty of concealment and

misrepresentation and, lastly, discretion should not be exercised in favour, of a person who approaches the court with unclean hands.

41. In *Raman Kwatra Vs. KEI Industries Limited*, (2023) 296 DLT 529, Division Bench of the Delhi High Court has held that though estoppel cannot apply against statute, the conduct of Plaintiff in making representation to the trademark registry that its mark is dissimilar to the cited marks would disentitle it from claiming the relief of injunction. The Court has held as under:

43. We also find merit in the appellant's contention that a party, that has obtained the registration of a trademark on the basis of certain representation and assertions made before the Trade Marks Registry, would be disentitled for any equitable relief by pleading to the contrary. The learned Single Judge had referred to the decision in the case of *Telecare Networks India Pvt. Ltd. v. Asus Technology Pvt. Ltd.* (supra) holding that after grant of registration neither the Examination Report nor the plaintiff's reply would be relevant. We are unable to agree with the said view. In that case, the Court had also reasoned that that there is no estoppel against statute. Clearly, there is no cavil with the said proposition; however, the said principle has no application in the facts of the present case. A party that has made an assertion that its mark is dissimilar to a cited mark and obtains a registration on the basis of that assertion, is not to be entitled to obtain an interim injunction against the proprietor of the cited mark, on the ground that the mark is deceptively similar. It is settled law that a person is not permitted to approbate and reprobate. A party making contrary assertions is not entitled to any equitable relief.

42. A Single Judge of this Court in *PhonePe Private Limited* (supra) encountered a situation where Plaintiff was shifting its stand in various litigations. Invoking the doctrine of *prosecution history estoppel*, this Court held that stand taken by Plaintiff in proceedings leading to grant of registration of its Mark would haunt it in subsequent

legal proceedings. This court held in Paras-27, 28, 29, 30, 31 and 32 as under:

27. This Court is of the opinion that by taking such completely contrary stands in respect of its own registered trademark 'PhonePe' and its analysis, the plaintiff has dis-entitled itself for grant of interim reliefs. This is particularly for the reason that the defendant, in its defence pertaining to its trademark 'postpe', has specifically indicated that 'postpe' is a short form of 'postponed payment'. It appears that the endeavour of the plaintiff is to claim that, 'pe' may connote 'payment' but, in its registered trademark, it refers to the colloquial Hindi term 'on', thereby further alleging that the defendant by using 'pe' has sought to come as close as possible to the registered trademark of the plaintiff. The clear contradiction in the stands taken by the plaintiff in respect of its own registered trademark in different legal proceedings, shows that it has tried to obtain interim reliefs by shifting its stands, which appear to be mutually inconsistent.

28. In this regard, the aspect of prosecution history estoppel assumes significance. The plaintiff is not justified in contending that once it has obtained registration for its trademark, the stand taken on its behalf in proceedings leading upto grant of such registration cannot haunt the plaintiff in subsequent legal proceedings. This Court in the case of *Unichem Laboratories Limited Vs. IPCA Laboratories and others* (supra) held as follows: -

"28. On the other hand, Mr. Dwarkadas, learned Senior Counsel appearing on behalf of the Defendant No. 2, submits that the Plaintiffs have not approached this Court with clean hands. They have suppressed from this Court the fact that the Application No. 1077469 made by the Plaintiffs for registration of the word mark "LORAM" and the Application No. 1192320 filed by the Plaintiffs for registration of the label mark " LORAM " have been opposed by four companies. They are opposing the registration of the word and label marks. Further Mr. Dwarkadas has relied upon the compilation and more particularly page Nos. 37 to 47 thereof to urge that in the opposition that is filed by the Plaintiffs to the application made by M/s Haryana Formulations Pvt. Ltd., they took a stand that the word mark "LORAM" is common to the trade and there are several entities and manufacturers using and adopting identical mark. **Once the Plaintiffs have taken such stand in the opposition proceedings and they have suppressed it from this Court in the present case, then, all the more their conduct can be safely termed as dishonest and blameworthy. This itself disentitles them from claiming any discretionary and equitable reliefs.** In any event, suppression of stand

taken by the. Plaintiffs in the opposition proceedings is deliberate. What they are urging in the present suit is directly contradictory to the stand taken by them before the Trade Marks Registry, Mr. Dwarkadas has invited my attention to paragraph No. 11 (page 5 of the plaint) and paragraph Nos. 2.3 (page 36 of the first affidavit in rejoinder). He has also highlighted the fact that on this ground alone, the injunction should be denied."

29. In a similar situation, in the case of *S. K. Sachdeva and another Vs. Shri Educare Limited* (supra), the Division Bench of Delhi High Court found that discretion ought not to be exercised in favour of a person, who approaches the Court with unclean hands. That was in the backdrop of the plaintiff therein having suppressed its own stand taken before the Registrar of Trademarks during consideration of its application for registration of the trademark. The interim injunction granted by the learned Single Judge was set aside on this ground, indicating that the principle of prosecution history estoppel can certainly be invoked by the Court. ....

30. In the present case, it is an admitted position that the plaintiff did not place before this Court its own stand when the Registrar of Trademarks in the examination report had observed that there were earlier similar trademarks such as, 'Phone Pe Deal', 'Phone Pe Store', 'Phone Pe Crore', 'pe', 'pay' etc. The plaintiff had taken a stand that such cited marks were not similar to its mark 'PhonePe' for the reason that the mark 'PhonePe', taken as a whole, was distinct from such marks viz. 'Phone Pe Deal', 'Phone Pe Store', 'Phone Pe Crore' etc.

31. **Having taken such a stand, it was a factor relevant to the controversy in the present case, for the reason that the trademark of the defendant is 'postpe'. This Court is of the opinion that by not placing its own stand taken before the Registrar of Trademarks in respect of cited marks like 'Phone Pe Deal', 'Phone Pe Store', 'Phone Pe Crore', etc., the plaintiff disentitled itself to grant of discretionary reliefs under Order XXXIX, Rules 1 and 2 of the CPC.** The test in such cases is that if the delendant is likely to suffer prejudice due to such suppression on the part of the plaintiff, discretionary relief ought not to be granted. In the present case, this Court is of the opinion that prejudice was certainly caused to the defendant, but for the defendant itself making enquiries and bringing the material before this Court as regards the stand taken by the plaintiff in the proceedings before the Registrar of Trademarks. When the plaintiff had claimed before the Registrar of Trademarks that its mark 'PhonePe', taken as a whole, cannot be said to be the similar to marks like 'Phone Pe Deal', 'Phone Pe Store', 'Phone Pe Crore' etc., it was clearly relevant for the stand taken in the present case that the mark of the defendant 'postpe', taken as a whole,

can be said to be deceptively similar to the registered trademark of the plaintiff 'PhonePe', taken as a whole.

32. Hence, this Court is of the opinion that the principle of prosecution history estoppel is correctly invoked by the defendant in the present case. The plaintiff cannot successfully claim discretionary reliefs in the backdrop of such conduct.

*(emphasis supplied)*

43. In *Mankind Pharma Ltd. Vs. Chandra Mani Tiwari*, (2018) 253 DLT 39 a single judge of the Delhi High Court has held as under:

C. The aforesaid stand of the plaintiff before the Registrar of Trade Marks, was/is relevant for the purpose of grant of interim injunction. Though the senior counsel for the plaintiff contended that what is stated by the advocates for the plaintiff in the aforesaid communications is a submission of law made in the context and the plaintiff cannot be bound thereby, but it cannot be said that the said contention makes the fact aforesaid 'not relevant'. The fact, that the plaintiff took a stand, not so long back, that (i) 'ATORVAKIND' is different from 'ATORKIND' and that (ii) 'STARKIND' is different from 'KINDERPLEX', 'KINDERBON', 'KINDERCAL', 'KINDIGEST', 'STAR-VIT', 'STAR', 'STARNET', 'STARCET', 'KINDHEALTH', 'KIND-PLUS', 'KINDCAL', 'KINDMAX' and 'KINDFLOX-OZ', certainly has a weightage for purposes of interim injunction, specially ex-parte. The plaintiff, while approaching this Court for ex parte relief against the defendants, concealed the said relevant fact from this Court and called upon the Court to, without the said fact being before the Court, grant injunction against the defendant. Such conduct of the plaintiff disentitles the plaintiff to the equitable relief, at least at this stage. I must however state that thought has indeed crossed my mind, whether in defence to a claim for infringement, which is a statutory right of a registered proprietor of a trade mark, the plea of estoppel, which is not available against statute, is at all available to the defendants.

44. In *Lightbook & Anr Vs. Pravin Shriram Kadam & Ors.* (2023) 94 PTC 623, a Single Judge of the Delhi High Court has dealt with a case where Plaintiff had opposed application for rectification of

Plaintiff's mark filed by the Defendant under Section 57 of the Trademarks Act. While opposing that application, Plaintiff took a stand that there was no similarity between Plaintiff's and Defendant's marks. Plaintiff later sued Defendant and sought injunction. Defendant cited the defence taken by Plaintiff while opposing Section 57 application, which was apparently not disclosed. The Court decided issuance of injunction in Plaintiff's favour by holding as under:

20. Having heard learned Counsel for both sides and applied myself to the facts of the case and the extant law thereon, I am of the considered opinion that, at this prima facie stage, the plaintiffs cannot escape the consequence of the assertions contained in para 4 of the counter-statement dated 14th January 2020, filed by the plaintiffs in response to the defendants' Section 57 application.

24. The reliance by Ms. Ahlawat, in this context, on the judgment of the Division Bench of this Court in Raman Kwatra<sup>1</sup> is, in my prima facie view, completely misplaced.

25. The issue before the Court, in that case was with respect to the stand taken by a plaintiff while applying for registration of the mark asserted in the plaint. The Division Bench of this Court held that, if the defendant's mark was put up as a rival mark, at the time of prosecution of the plaintiff's application for registration, the stand taken by the plaintiff to disabuse the Registrar of the existence of similarity between the two marks, would also be relevant if the plaintiff were subsequently to institute an infringement suit against the defendant. This is, in fact, what is commonly known as "prosecution history estoppel".

26. No such issue arises in the present case. Para 4 of the reply dated 14th January 2020 of the plaintiffs, as submitted before the Registrar of Trade Marks, contains the plaintiffs' conscious admissions of fact, as pleaded before the Registrar. As Mr. Kirpekar correctly pointed out, the reply dated 14th January 2020 was filed on oath, and was affirmed by verification by the partner of the plaintiffs. It cannot lie in the mouth of the plaintiffs, therefore, to contend, before this Court, that the marks of the plaintiffs and defendants are deceptively similar.

27. The issue of whether there exists or does not exist, an element of confusing or deceptive similarity being essentially an issue of fact, the aforementioned admission, as contained in para 4 of the reply dated 14th January

2020 of the plaintiffs would, at least at a prima facie stage, estop the plaintiffs, and would serve to disentitle the plaintiffs from taking a contrary stand before this Court, while seeking interlocutory relief.

28. Besides, I am in agreement with Mr. Kirpekar that the plaintiffs would, even on principles of equity, be disentitled to any relief in the present application, as there is a clear and prima facie deliberate omission, on the part of the plaintiffs, from placing the aforesaid counterstatement dated 14th January 2020 on record. There can be no explanation, whatsoever, for this omission. In *S.K. Sachdeva v. Shri Educare Ltd.*, the Division Bench of this Court held that the omission, on the part of the plaintiff, from placing such a document on record ipso facto disentitled the plaintiff to interlocutory relief.

45. Thus, a consistent view taken in above quoted judgments is that a stand taken by the Plaintiff in previous proceedings, including the proceedings for registration of trademark, would continue to haunt him in all subsequent proceedings and would be a relevant factor while deciding Plaintiff's entitlement for temporary injunction. In most of the above judgments, non-disclosure of previous stand by Plaintiff is also held to be relevant factor for deciding injunction. However that aspect is being discussed separately in the judgment. For the moment, it would be necessary to concentrate on the issue of '*prosecution history estoppel*'.

46. On the other end of the spectrum, there are few decisions, which invoke the principle of non-applicability of estoppel against the statute and seem to suggest that the stand taken by a party during proceedings for registration of a trademark would be confined to registration proceedings only and would not haunt the Plaintiff in an infringement proceedings. I accordingly proceed to refer to the judgments cited by Mr. Kamod in support of his contention that the

stand taken at the time of registration of the trademark is irrelevant for the purpose of deciding Plaintiff's entitlement for temporary injunction in an action for passing off.

47. In *Insecticides (India) Limited* (supra), the Plaintiff therein had filed suit for restraining the Defendant from passing off its insecticide by adopting the mark which is similar or deceptively similar to the mark 'VICTOR'. When the application of the Plaintiff for registration of the mark 'VICTOR' was examined by the Registry, few other applications having the word 'VICTOR' were pointed out to the Plaintiff. However, the goods/services in those applications were completely different and were not for insecticides. Plaintiff therefore took a stand before the Trademark Registry that its goods were confined to insecticides which were different from the specification of goods in the cited marks. It is in this background that principle of estoppel was sought to be invoked against Plaintiff by the Defendant by relying on the stand taken before the Trademarks Registry. A single judge of the Delhi High Court held in para-14 O, S, T, U, V AND W as under:

(O) Merit is found in the contention of the counsel for the plaintiff, that what the plaintiff has admitted in the aforesaid communications is, **that the goods of the plaintiff and the goods of the defendant are different and not that the mark of the plaintiff and the marks cited by the Trademark Registry were distinct. The question which arises is, whether the Court, even if finds the goods of the plaintiff and the defendant to be not different but same/similar, can bind the plaintiff to its statement of the goods being not the same.** I have wondered, whether not same amounts to binding a party to the statement of it being day time when it is undisputably night time.



(S) Though the claim of the plaintiff for injunction in the present suit is in exercise of common law right against passing off and not in exercise of any statutory right but the representation of the plaintiff to the Trade Mark Registry, on account of which the plaintiff is sought to be estopped, was under the statutory scheme of the Trade Marks Act, 1999 and the Rules framed thereunder. What the Advocate for the plaintiff stated in the letters dated 30th July, 2012 and 3rd March, 2015 supra, in view of the aforesaid, was clearly contrary to the statute i.e. the classification of goods in Schedule IV to the Rules supra. Supreme Court, in National Insurance Co. Ltd. v. Swaran Singh, (2004) 3 SCC 297, held that it is now a well settled principle of law that Rules validly framed become part of the Statute. Once it is so, I have wondered, whether not the representation of the Advocate for the plaintiff, in the letters dated 30th July, 2012 and 3rd March, 2015 supra, even if binds the plaintiff, is contrary to Statute and if so, whether the plea of estoppel can arise therefrom. **It is equally well settled (see A.C. Jose v. Sivan Pillai, (1984) 2 SCC 656) that there is no estoppel against Statute.** In Elson Machines Pvt. Ltd. v. Collector of Central Excise, 1989 Supp (1) SCC 671 and Plasmac Machine Manufacturing Co. Pvt. Ltd. v. Collector of Central Excise, Bombay, 1991 Supp (1) SCC 57, the Department of Excise was held to be not estopped on account of its representation of a particular class of goods falling in one tariff entry when under the Statute it was otherwise. **Thus, the representation of the plaintiff, on the basis whereof the plea of estoppel is raised by the defendant, being contrary to Statute, does not give rise in law to the plea of estoppel.**

(T) As far as the argument of the senior counsel for the defendant, of the plaintiff being bound by its admission is concerned, admission, per Section 17 of the Indian Evidence Act, 1872 is as to any fact in issue or relevant fact. **The question, whether the goods of the plaintiff and the defendant are different, as pleaded by the Advocate for the defendant or the same, as aforesaid, under the Statute and otherwise is a question of law and with respect whereto admission cannot be made. An incorrect admission of law does not bind anyone.** A Single Judge of this Court in Samsung Electronics Company Limited v. Kapil Wadhwa, 2012 SCC OnLine Del 1004 : (2012) 49 PTC 571 (Del) held that there can be no admission on a question of law. Though the Division Bench on appeal, in Kapil Wadhwa v. Samsung Electronics Co. Ltd., (2012) 194 DLT 23 : (2013) 53 PTC 112 (Del) set aside the said judgment but held the said finding to be a correct exposition of law. As far back as

in *Juttendromohun Tagore v. Ganendromohun Tagore*, (1872-73) Supp IA 47, Privy Council held that a plaintiff is not bound by an admission of a point of law nor precluded from asserting the contrary in order to obtain the relief to which, upon a true construction of law, he may appear to be entitled. Mention may also be made of *Societe Beige De Banque S.A. v. Girdhari Lal Chaudhary*, 51 LW 713, where the Privy Council held that an admission of the Advocate, of there being a concluded agreement was an admission of law, which cannot be binding. Supreme Court also, in *Banarsi Das v. Kanshi Ram*, AIR 1963 SC 1165 held that dissolution of partnership was a matter of law and there could be no binding admission of the same, and in *Union of India v. K.S. Subramanian*, 1989 Supp (1) SCC 331 held that an admission of applicability of the Rules which in law did not apply, could not bind a person.

**(U) Thus, neither the principle of admission nor the principle of estoppel deprive the plaintiff from seeking the relief, if were to be found to be entitled thereto.**

**(V) There is another aspect. The representation made in the letters dated 30th July, 2012 and 3rd March, 2015 supra was for the purposes of obtaining registration of the trade mark and can be invoked against the plaintiff only vis-a-vis the said registration and not to deprive the plaintiff from suing for passing off.**

(W) Once, this Court finds the mark of the plaintiff and the mark of the defendant to be in use with reference to the same goods/products and/or with reference to competing goods/products, the next question is, whether the test of passing off is satisfied or whether the differences pointed out by the senior counsel for the defendant distinguish the two so as to eliminate the injury to the plaintiff from passing off.

*(emphasis supplied)*

48. It is by relying upon the judgment in *Insecticides (India) Limited*, that Mr. Kamod has strenuously contended that an incorrect admission of law would not bind Plaintiff and that representation made at the time of obtaining registration cannot deprive a plaintiff from suing the Defendant for passing off. In *Insecticides (India) Limited*,

however, the factual position was entirely different. In that case, the Plaintiff therein did not claim before the Trademark Registry that the marks were distinct or different. The Plaintiff therein had claimed before the Trademark Registry that the goods of the Plaintiff and goods of the Defendant were different. The Delhi High Court has ignored the objection of estoppel and has proceeded to examine the similarity between the goods in the peculiar facts of the case where Plaintiff's admission was with regard to dissimilarity in goods and not with regard to the marks. Thus the decision of the Delhi High Court in *Insecticides (India) Limited* is rendered in peculiar facts of that case and cannot be cited in support of an absolute proposition that in every case, Court must ignore an admission given at the time of registration of trademark for determining Plaintiff's entitlement for injunction in an action for passing off. Applicability of doctrine of '*prosecution history estoppel*' in view would depend on facts of each case. In the present case, the Plaintiff has claimed in his letters dated 5 February 2013 and 15 April 2016, that his Marks did not resemble with the Mark of the Defendant. By stating so, Plaintiff actually acquiesced in the position that the Defendant could commence and carry on restaurant business with the tradename 'ANNA'. Thus, the fact situation in *Insecticides (India) Limited* and the present case is entirely different and therefore the finding recorded by the Single Judge of the Delhi High Court in *Insecticides (India) Limited* would not be applicable to the present case.

49. In *H & M* (supra), the Plaintiff therein had sued the Defendant from infringement of the trademark, 'H & M'. One of the

defences taken by the Defendant was that the Plaintiff sought to differentiate its mark 'H& M' from the other marks reflected in search report 'HMT', 'H MV', 'H MW' 'H. M. Tex Kamal' and 'H.M.C.' before the Trademark Registry by pleading that comparison of two marks should be done in entirety and not in separate components. Defendant therefore contended that in the suit, the Plaintiff cannot be permitted to take contradictory stand. It is in the above factual background that the Learned Single Judge of Delhi High Court has held in para-15 as under:

15. The plea of the defendants, of the plaintiffs, at the time of seeking registration and when confronted with 'HMT', 'H MV', 'H MW', 'H.M. Tex Kamal' and 'H.M.C.', having taken a stand that the mark has to be considered in entirety, may be considered at this stage. The question to be adjudicated is, whether the plaintiffs, having taken such a stand, is estopped from suing for infringement. The question, in my opinion, cannot be answered in abstract and has to be answered on facts. None of the businesses, marks whereof as aforesaid the plaintiffs were confronted with, were in any business even remotely connected to business of the plaintiffs. In fact the marks HMT & H MV were abbreviations of their earlier names Hindustan Machine Tools and His Masters Voice respectively and which businesses, over the years had come to be referred by their abbreviation. Merely because the plaintiffs at the stage of seeking registration took a stand as aforesaid, cannot stop the plaintiff from exercising its statutory and natural rights. There is no estoppel against statute.

50. Thus, in *H & M*, the Delhi High Court has held that the question of effect of inconsistency in stands taken in registration proceedings and in the suit cannot be answered in abstract and has to be answered on facts. In *H & M*, the Delhi High Court found that none of the businesses of which marks were cited by the Registry were remotely connected to the business of the Plaintiff. It is in the light of this factual background that the learned Judge of the Delhi High Court proceeded

to ignore the stand taken by the Plaintiff therein at the time of registration process. In the present case, there is no dispute to the position that Defendant's Mark 'ANNA' was cited in the search report in respect of the same goods and services for which Plaintiff was seeking registration. Therefore, judgment in *H & M* can again not be cited in support of an absolute proposition that in every case, the past stand taken by a Plaintiff during registration proceedings must be ignored in subsequently filed suit for passing off.

51. *AMPM Designs* (supra) involved challenge to the order passed by the Intellectual Property Appellate Board ordering removal of Petitioner's Trademark on objection filed by the Respondent therein. The Petitioner therein had taken inconsistent stands about the difference in the two marks at the time of registration its Mark and while opposing Notice for registration of the Respondent's mark it took stand of deceptive similarity between the two marks. In the above factual background, a Single Judge of this Court held in paras- 29 to 33 as under:

29. At this juncture, the inconsistency in the stand of the petitioner as regards the similarity of the marks comes to the fore. The learned Counsel for the petitioner submitted that the fact that the petitioner had claimed in response to the examination report that there were multitude of the differences in the marks of the petitioner and respondent No. 3 and in the notice of opposition to the application of respondent No. 3 to register the said mark in Class-42, the petitioner asserted that the mark of respondent No. 3 was deceptively similar to the mark of the petitioner is required to be appreciated in the backdrop of the context and stage of the proceedings. In any event, the claim of the petitioner that the mark of respondent No. 3 is deceptively similar to that of the petitioner, could not have been construed against the petitioner as there can be no estoppel against law. The question

as to whether the marks are deceptively Similar warrants determination on the basis of the well recognized test. The Appellate Board thus could not have decided the issue on the basis of the said inconsistent stand of the petitioner.

30. To bolster up these submissions, Mr. Kamod, the learned Counsel for the petitioner, placed reliance on the judgments in the cases of Kapil Wadwa and Ors. v. Samsung Electronics Co. Ltd. and Ors. MANU/DE/4894/2012 2013 (53) PTC 112 (Del.), H & M Hennes & Mauxitz AB (supra) and Insecticides (India) Limited v. Parijat Industries, MANU/DE/2389/2018: 2018 (75) PTC 238 (Del).

31. In the case H & M Hennes & Mauxitz AB (supra), when issue of admission at a prior stage was raised, the Delhi High Court held that merely because the plaintiff at the stage of seeking registration took a stand that the mark has to be considered in entirety, cannot stop the plaintiff firm from exercising its statutory and natural rights. There is no estoppel against the statute. In the case of Insecticides CO Ltd. (supra), it was inter alia observed that neither the principle of admission nor the principle of estoppel deprives the parties from seeking a relief, if it were found to be entitled thereto.

32. There can be no qualm over the position in law that an erroneous admission on a principle of law by a party would have no relevance in determining the rights and liabilities, for cannot an estoppel against a statute. In this case, the stand of the petitioner as regards the similarity of the mark differed at different stages of the proceedings. In response to the examination report, the petitioner claimed that the marks were dissimilar. Whereas in the notice of opposition, to the application of respondent No. 3 for registration of the latter's mark under Class-42, the petitioner claimed that respondent No. 3's mark was deceptively similar to that of the petitioner. Evidently, after the petitioner's mark was registered, the petitioner took the stand that the proposed mark of respondent No. 3 is deceptively similar to that of the registered mark of the petitioner. In any event, this aspect does not bear upon the core controversy except reflecting upon the litigative conduct of the petitioner. Core

33. In the case at hand, the Court is confronted with the question as to whether, even on the premise that the marks are similar, the Appellate Board was justified in ordering the removal of the petitioner's mark when the petitioner and respondent No. 3 have been dealing in different businesses and respondent No. 3's earlier marks were registered in distinct classes. Is respondent No. 3 entitled to protect the proprietary right to the trade mark even when the petitioner is dealing in a different business is the moot question?

52. Thus, in *AMPM Designs*, Plaintiff and Defendant were found to be dealing with different businesses. Also, the case did not involve action for infringement or passing off. Therefore, the judgment in an *AMPM Designs* again cannot be cited in support of a proposition the doctrine of *prosecution history estoppel* would not apply to action for passing off.

53. In *Telecare Network* (supra) the Plaintiff therein had admitted in response to the examination report that the word ZEN is generic in nature and that no party can claim exclusivity over the same. In this factual background, a single Judge of the Delhi High Court held in paras-41, 42, 44 and 45 as under:

POST GRANT OF REGISTRATION OF THE MARK NEITHER THE EXAMINATION REPORT NOR THE REPLY TO THE SAME ARE RELEVANT DOCUMENTS. FURTHER THERE IS NO ESTOPPEL AGAINST STATUTE

41. Once a mark is registered, the certificate of registration has to be seen as it is. Post grant of registration of the mark ZEN, neither the Examination Report dated 01st May, 2010 nor the plaintiff's reply are relevant documents. In H&M Hennes & Mauritz AB v. HM Megabrand Pvt. Ltd., (2018) 251 DLT 651 it has been held as under:—

....  
....  
....

42. In any event, as there is no estoppel against statute, the stand taken by plaintiff in reply to the examination report is not relevant.

THERE IS NO SUPPRESSION OR MISREPRESENTATION THAT REGISTERED MA ZEN AND ZENMOBILE ARE WORD MARKS AS

THE PLAINTIFFS HAD PLACED RECORD THE REGISTRATION CERTIFICATES. FURTHERMORE, THE PLAINTIFF NOT SUPPRESSED ITS REPLY TO THE EXAMINATION REPORT DATED 01<sup>st</sup> MAY, 20 AS THE SAME IS AVAILABLE IN THE PUBLIC DOMAIN.

44. This Court is also of the view that the judgment of S.K. Sachdeva (supra) is of no relevance to the present case as the said judgment is regarding wilful and deliberate concealment, which is absent in the present case.

45. Furthermore, the plaintiff had not suppressed its reply to the examination report dated 01<sup>st</sup> May, 2010 as the same is available in the public domain.

54. It must be observed here that the Division Bench of the Delhi High Court in its subsequent judgment in *Raman Kwatra* to which reference is already made above, has disagreed with the view taken by the Single Judge in *Teleecare Network* by observing in para 43 as under:

43. ....The learned Single Judge had referred to the decision in the case of *Telecare Networks India Pvt. Ltd. v. Asus Technology Pvt. Ltd.* (supra) holding that after grant of registration neither the Examination Report nor the plaintiff's reply would be relevant. We are unable to agree with the said view.

Therefore, the judgment of the Delhi High Court in *Teleecare Network* can no longer be cited in support of contention that the stand taken during registration proceedings must be confined to those proceedings alone and would have no bearing on the action for infringement or passing off.



55. After having analyzed the judgments on the issue of applicability of principle of estoppel in actions for infringement of trademark and/or passing off, I am of the view that the stand taken by a party in proceedings for registration of a Mark cannot be ignored in each and every proceeding filed for infringement or passing off. In the present case, the doctrine of *prosecution history estoppel* would fully apply where Plaintiff has twice made a representation before the Trademark Registry that there is no resemblance between his and the Defendant's Marks. He took that stand with full knowledge that Defendant was intending to use the Mark 'ANNA' for same class of goods and services. He thus led Defendant to believe that the Defendant was free to commence and operate business of selling same class of goods and services by using the Mark 'ANNA'. Plaintiff cannot now be permitted to take a volte face and contend that the two marks are deceptively similar.

56. Mr. Kamod has attempted to suggest that the stand taken before the Trademark Registry by Plaintiff is routine and cyclostyled, which is usually done by the Trademark Attorneys. He has attempted to suggest that an erroneous and routine stand taken by the Attorneys for the purpose of obtaining registration cannot bind the Plaintiff in action for passing off. However, though the reply dated 15 April 2016 is submitted by the Plaintiff's Attorney, the earlier reply dated 5 February 2013, is signed by the Plaintiff himself. Therefore, the Plaintiff cannot

now be permitted to wriggle out of the representation that he himself made before the Trademark Registry by seeking to blame his Attorney.

#### D. 6 PLAINTIFF'S CONDUCT IN SUPPRESSION OF REPRESENTATION MADE BEFORE TRADEMARK REGISTRY

57. Now the conduct of Plaintiff in not disclosing its replies filed before the Trademark Registry and effect of such non-disclosure on his entitlement for temporary injunction needs to be examined. Admittedly, Plaintiff did not disclose letters dated 5 February 2013 and 15 April 2016 along with the plaint. The same were brought on record by the Defendant. The learned District Judge has treated such conduct of the Plaintiff as an attempt to play fraud upon the Court by declining discretionary relief of temporary injunction. Mr. Kamod has submitted that there is no willful suppression on the part of the Plaintiff as the documents relating to registration proceedings are under public domain and that in absence of any willful suppression, the judgment of the Division Bench of the Delhi High Court in *S. K. Sachdeva* would have no application. In support of this contention, Mr. Kamod has relied upon the judgment of Single Judge of Delhi High Court in *Teleccare Network*. However as observed above, the ratio of judgment in *Teleccare Network* has not been agreed by the Division Bench in *Raman Kwatra*. Even otherwise, in my view, reliance of the Plaintiff on the judgment of *Teleccare Network* would not absolve him of the consequences arising out of the stand taken by him before the Trademark Registry that there is no resemblance in the two Marks.

There could be myriad reasons why Plaintiff believed at the relevant time that there is no resemblance in two marks. He may have believed that the words 'Idli' and 'Idli Gruha' are absent in the marks of the Defendant, who uses the mark 'ANNA'. He may have also believed that addition of words 'Idli' or 'Idli Gruha' to the word 'Anna' would distinguish his mark from that of the cited marks. He might have noticed operation of several eateries in the country using the name 'Anna'. He may have believed that the peculiar design or artwork


adopted by him for marks , 'ANNA IDLI GRUHA' or



would be sufficient for the customers to distinguish its eateries, goods and services. He may have considered the generality with which the word 'Anna' is widely used in the restaurants serving south Indian food. Whatever could be the reason why Plaintiff made representations twice before the trademark registry about non-resemblance between his and Defendant's marks, that stand would continue to haunt him in present proceedings. It was therefore necessary for Plaintiff to disclose the replies filed by him with the trademark registry in the Suit. Therefore, even though Plaintiff has successfully demonstrated prior use of his trademarks, since he himself has represented before the Trademark Registry that the two marks do not resemble each other, he cannot now be permitted to seek any restraint order against the Defendant in the form of temporary injunction. Though the documents relating to the registration process may be available in public domain, it

was necessary for the Plaintiff to disclose the stand taken by him before the Trademark Registry in his plaint.

58. Temporary injunction is a discretionary relief. The learned District Judge, in the present case, has refused to grant temporary injunction in favour of the Plaintiff by considering his conduct in suppressing the replies filed before the Trademark Registry. Plaintiff has been registering various trademarks over the period of years. His last

application in respect of the Mark  being still pending. Despite facing objections from the Trademark Registry about registration of several trademarks with the name 'Anna', particularly that of Defendant, the Plaintiff has repeatedly represented before the Trademark Registry that his mark does not resemble with that of the Defendant though both the marks are in respect of the same Class of goods and services. The District Judge has rightly considered this conduct of the Plaintiff in not disclosing repeated stands taken before the Trademark Registry for refusing the discretionary relief of injunction. It was obligatory for Plaintiff to disclose all the relevant material in the Plaint. He could not have suppressed the contradictory stand taken in his replies dated 5 February 2013 and 15 April 2016 on a specious plea that the same is in public domain. In this regard, reliance of Mr. Soni on the judgment of the Apex Court in *Bhaskar Laxman Jadhav* (supra) appears to be apposite wherein it is held that it is not for a litigant to decide what is to be disclosed and what not. The Apex Court has held in para 44 as under:

44. It is not for a litigant to decide what fact is material for adjudicating a case and what is not material. It is the obligation of a litigant to disclose all the facts of a case and leave the decision-making to the court. True, there is a mention of the order dated 2-5-2003 in the order dated 24-7-2006 passed by the JCC, but that is not enough disclosure. The petitioners have not clearly disclosed the facts and circumstances in which the order dated 2-5-2003 was passed or that it has attained finality.

59. Having not disclosed the contradictory stand in replies dated 5 February 2013 and 15 April 2016, the conclusion reached by the learned District Judge cannot be faulted. In *Ramjas Foundation* (supra), the Apex Court has held that a person not approaching the Court with clean hands is not even entitled to be heard on merits. The Apex Court has held in para-21 as under:

21. The principle that a person who does not come to the court with clean hands is not entitled to be heard on the merits of his grievance and, in any case, such person is not entitled to any relief is applicable not only to the petitions filed under Articles 32, 226 and 136 of the Constitution but also to the cases instituted in others courts and judicial forums. The object underlying the principle is that every court is not only entitled but is duty bound to protect itself from unscrupulous litigants who do not have any respect for truth and who try to pollute the stream of justice by resorting to falsehood or by making misstatement or by suppressing facts which have a bearing on adjudication of the issue(s) arising in the case.

#### D.7 CLASSICAL TRINITY TEST OF GOODWILL, MISREPRESENTATION AND DAMAGE

60. Even if the doctrine of *prosecution history estoppel* and Plaintiff's conduct of suppression is to be momentarily ignored as sought to be suggested by My. Kamod, and Plaintiffs case is to be judged on other factors, I am of the view that no *prima-facie* case is made out by

the Plaintiff for grant of temporary injunction. Plaintiff has relied upon Certificate of his Chartered Accountant in support of his contention that he has earned goodwill and reputation by use of his trademarks since the year 2011. The Certificate of Chartered Accountant relied upon by the plaintiff reads thus:



*This is to certify that **Anna Idli Gruha**, Proprietor : **Shri. Shantappa Sangondappa Kalasagond** (PAN :- AHQPK8729M), is filling Income Tax returns regularly for F. Y. 2011-12 to F. Y. 2019-20 and that he had got many other line of business as well but his turnover from this particular line of business having title "**Anna Idli Gruha**" as per audited statements is as under:*

<i>Assessment Year</i>	<i>Financial Year</i>	<i>Turnover</i>
<i>2012-13</i>	<i>2011-12</i>	<i>6,96,058=00</i>
<i>2013-14</i>	<i>2012-13</i>	<i>13,76,027=00</i>
<i>2014-15</i>	<i>2013-14</i>	<i>7,21,889=00</i>
<i>2015-16</i>	<i>2014-15</i>	<i>0=00(NIL)</i>
<i>2016-17</i>	<i>2015-16</i>	<i>44,25,689=00</i>
<i>2017-18</i>	<i>2016-17</i>	<i>49,10,517=00</i>
<i>2018-19</i>	<i>2017-18</i>	<i>52,52,705=00</i>
<i>2019-20</i>	<i>2018-19</i>	<i>52,31,492=00</i>
<i>2020-21</i>	<i>2019-20</i>	<i>51,78,652=86</i>

*This certificate is issued of the request of **Shri. Shantappa Sangondappa Kalasagond** at Solapur on this 28<sup>th</sup> September 2022.*

The above Certificate would show that the Plaintiff commenced his business in the year 2011 and was able to make a small turnover of Rs. 6,98,058/-. Though his turnover increased in the year 2012-13 to Rs.13,76,027/-, the same reduced in the year 2013-14 to Rs. 7,21,889. In the year 2014-15, the Plaintiff did not do any business as the figures

reported in the Chartered Accountant's Certificate are 'Nil'. In the year 2015-16, the turnover is shown to Rs. 44,25,689 which did not increase substantially over the next four years till the year 2019-20. In the plaint, the Plaintiff has given the sales figures for subsequent years of 2020-21 and 2021-22, which again are not very substantial. Thus, maximum turnover that the Plaintiff was able to achieve during the last 11 years is Rs. 54,26,589/-. The Income Tax Returns produced by the Plaintiff do not show any expenditure on advertisement. It is therefore difficult to accept that the Plaintiff has earned any goodwill or reputation by use of

the marks, 'ANNA IDLI GRUHA'  or . His first outlet under the name 'ANNA IDLI GRUHA' was started in the year 2011. Here again there appears to be some inconsistency in the pleading and the documents. Plaintiff has relied upon invitation card in respect of the outlet at Solapur, which apparently commenced on 28 September 2011. However, in para-3 of the plaint, he has averred that "*Not only that, but also after commencement of the business concern of the Plaintiff at Bijapur Karnataka, the Plaintiff has also expanded his business.....*". There appears to be some inconsistency about the exact city where Plaintiff allegedly started his first outlet. Again, the Plaintiff did not give any particulars about the outlets that he had commenced at Pune or other cities in the plaint, except vaguely contending that "*the Plaintiff has also expanded his business in Maharashtra as well i.e. in Solapur and Pune*". He has, however, produced photographs of some of the outlets to claim that he had started two outlets in Pune at Baner, Kharadi, DP Rd and Market Yard as well as one outlet each at Nagpur and Vijayapura.

However, there are no pleadings about those outlets in the plaint. The dates of opening of the outlets in Pune are also not disclosed. Since Plaintiff is seeking injunction against Defendant from opening a restaurant with name **ANNA** in Pune, he ought to have pleaded details of his outlets in Pune. Also, if indeed Plaintiff has been operating multiple outlets at Bijapur, Solapur, Pune, Nagpur and Vijayapura, why his sales figures continued to remain substantially low at Rs. 54,26,589/- is difficult to fathom. Thus, the figures of turnover do not support the claim of opening of multiple outlets in multiple cities. Considering the overall turnover of Plaintiff, which had substantially reduced during the year 2013 - 14 and had become 'Nil' during the year 2014-15, it is difficult to believe that the Plaintiff has earned any goodwill or reputation in respect of the marks '**ANNA IDLI GRUHA**'



. Though Mr. Soni has attempted to suggest that within a short period since December 2022, Defendant has been able to generate turnover of Rs. 5.2 crores, in absence of any pleadings to that effect, it is not possible to record any specific finding in this regard. However, it can certainly be held that despite alleged operations for the last 12 long years, Plaintiff has not been able to prove establishment of any goodwill or reputation considering the figures of turnover provided by him. Therefore, it is difficult to believe that Plaintiff has earned such a reputation or goodwill, especially in Pune City, that his patrons would walk in the eatery of Defendant believing that the same is that of Plaintiff. It therefore cannot be stated that the Defendant is likely to pass off its goods or services by misrepresenting the customers. To prove



*prima facie* case of passing off, Plaintiff has thus failed in the triple tests of goodwill, representation and damage.

#### D. 8 DEFENCE OF 'ANNA' BEING A GENERIC WORD

61. The word 'Anna' otherwise is a generic word, which is common to the trade and associated with south Indian cuisine. There can be no denial to the fact that there are several eateries across the country which uses the word 'Anna'. Infact, a random search on the internet would indicate existence of chain of restaurants under the name 'J.M. Anna Idly' in Mumbai with branches/franchisee at Lower Parel, Fort, Andheri, Goregaon, Carnac Bunder, Thakurdwar and similarly, in Pune there is another chain of eateries under the name 'Anna Idly House' with couple of branches/franchises. However, in the present case, the Defendant cannot take a defence of the word 'Anna' being generic as Defendant himself claims exclusivity by seeking registration of trademark 'ANNA'. In *Jagdish Gopal Kamath* (supra) relied upon by Mr. Kamod, this Court has held that once the Defendant claims exclusivity by registering a trademark, he cannot then take the defence of the Mark is generic in nature. Considering the above settled position of law of impermissibility to claim both exclusivity as well as generic nature of the Mark, though the defence of 'Anna' being a generic word and common to trade is raised in the written statement by the Defendant, Mr. Soni has fairly not pressed the said defence before me

considering the fact that Defendant also claims exclusivity in the word 'Anna' by seeking registration of his trademark.

#### D. 9. DELAY IN PROSECUTING THE APPEAL

62. Also of relevance is the fact, that the Plaintiff, who showed alacrity in filing the Suit against unnamed Defendant (without even bothering to find out the exact person/entity who was going to open the eatery), did not show same eagerness when it came to filing and perusing the present Appeal after rejection of his application for temporary injunction. The impugned order was passed by the learned District Judge on 30 January 2023, whereas the present Appeal appears to have been filed on 12 April 2023. Mr. Soni further accuses the Plaintiff of not moving the Appeal for further period of six months as the same was circulated for the first time by moving a praecipe on 23 October 2023. In the meantime, the Defendant, who opened his outlet with trade name **ANNA** in December 2022, has apparently gathered substantial business, which according to Mr. Soni is much higher than the overall turnover of the Plaintiff. Though technically there may not be any delay in filing the Appeal, Plaintiff has permitted Defendant to establish his business by not taking timely steps in pressing his Appeal. However, this is considered only as an additional and not the only factor for declining relief to Appellant/Plaintiff.

#### D. 10 SCOPE OF INTERFERENCE BY APPELLATE COURT

63. It must also be borne in mind that that this Court is called upon to examine correctness of discretion exercised by the learned District Judge in declining the relief of temporary injunction. The Appellate Court cannot interfere with the exercise of discretion of Trial Court and substitute its own discretion, unless exercise of discretion is found to be arbitrary, perverse or against the settled principles for grant or refusal of interlocutory injunction. Following the ratio of its judgment in *Wander Ltd. & Anr Vs. Antox India Pvt. Ltd*, (1990) Supp SCC 727, Apex Court has held in *Punjab and Sind Bank* (supra) in para-17 as under:

17. It has been held by this Court that the Appellate Court would not interfere with the exercise of discretion of the court of first instance and substitute its own discretion except where the discretion has been shown to have been exercised arbitrarily, or capriciously or perversely or where the court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. It has been held that an appeal against exercise of discretion is said to be an appeal on principle. It has further been held that the Appellate Court will not reassess the material and seek to reach a conclusion different from the one reached by the court below if the one reached by that court was reasonably possible on the material. It has been held that if the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion.

64. The exercise of discretion by the learned District Judge in the present case does not suffer from any palpable error for the Appellate Court to interfere. The Plaintiff has failed to establish the triple tests of *prima-facie* case, irreparable loss and balance of

convenience. Considering the material produced by the Plaintiff as well as his conduct, no case is made out for grant of any temporary injunction to restrain the Defendant from operating his business activities with tradename **ANNA**. While I could have requested the Trial Court to accord due priority to the Suit of the Plaintiff considering the rapid speed with which the rival parties are expanding their respective business, Mr. Soni has accused Plaintiff of avoiding trial of the Suit by seeking stay of the Suit by filing application under Section 124 of the Trademarks Act. It is however clarified that the findings recorded in the judgment are only for examining whether Plaintiff is entitled to the relief of temporary injunction. Neither the Trademark Registry, while deciding the rectification proceedings nor the Trial Court, while deciding the Suit finally, shall be influenced by the same.

#### **E. ORDER**

65. I therefore do not find any merit in the present Appeal. It is dismissed without any orders as to costs.

66. With dismissal of the Appeal, nothing survives in the Interim Application. The same also stands disposed of.

**SANDEEP V. MARNE, J.**