M/S. NANDHINI DELUXE

v.

M/S. KARNATAKA CO-OPERATIVE MILK PRODUCERS FEDERATION LTD.

(Civil Appeal Nos. 2937-2942 of 2018)

JULY 26, 2018

[A. K. SIKRI AND ASHOK BHUSHAN, JJ.]

Trade Mark – Similar marks – Respondent, a cooperative federation of the Milk producers of Karnataka adopted the mark 'NANDINI' in the year 1985 and under this brand name produced and sold milk and milk products – On the other hand, appellant was in the business of running restaurants and it adopted the mark 'NANDHINI' for its restaurants in the year 1989 – Appellant applied for registration of the said mark in respect of various food products including milk and milk products – Respondent opposed the registration of the mark on the ground that it was deceptively similar to its own mark and was likely to deceive the public or cause confusion – Objections were rejected by the Deputy Registrar and registration was granted to the appellant – Appeals of the respondent were allowed by the IPAB – Writ petitions filed by the appellants were dismissed – On appeal, held: Appellant had adopted the trade mark in respect of items sold in its restaurants way back in the year 1989 which was soon after the respondent had started using the trade mark 'NANDINI' – There was no document or material produced by the respondent to show that by the year 1989 the respondent had acquired distinctiveness in respect of this trade mark, i.e., within four years of the adoption thereof – Therefore, it was a case of concurrent user of trade mark by the appellant – Furthermore, Appellant had abandoned its claim for milk and milk products – Therefore, the order of the Deputy Registrar granting registration in favour of the appellant restored subject to modification that registration would not be given in respect of those milk and milk products for which appellant has abandoned its claim – Trade Mark Rules, 2002 – Class 29 and Class 30 under Schedule IV.

A **Allowing the appeals, the Court**

HELD: Whether the appellant is entitled to seek registration of the mark 'NANDHINI' in respect of the goods in which it is dealt with and whether such a registration in favour of the appellant would infringe rights of the respondent.

B **1. In the instant case, not only visual appearance of the two marks is different, they even relate to different products. Further, the manner in which they are traded by the appellant and respondent respectively, it is difficult to imagine that an average man of ordinary intelligence would associate the goods** C **of the appellant as that of the respondent. [Para 28] [304-G-H]**

2. One other significant factor which is lost sight of by the IPAB as well as the High Court is that the appellant is operating a restaurant under the trademark 'NANDHINI' and it had applied the trademark in respect of goods like coffee, tea, cocoa, sugar, D **rice etc. which are used in the products/services of restaurant business. The aforesaid items do not belong to Class 29 or 30 as per classification under Schedule IV to the Trade Marks Rules, 2002. Likewise, stationery items used by the appellant in the aid of its restaurant services are relatable to Class 16 of the Rules. In these circumstances, there was hardly any question of confusion** E **or deception. [Para 29] [305-A-C]**

3. Having arrived at the aforesaid conclusion, the reasoning of the High Court that the goods belonging to the appellant and the respondent (though the nature of goods is different) belong to same class and, therefore, it would be impermissible for the F **appellant to have the registration of the concerned trade mark in its favour, would be meaningless. That apart, there is no such principle of law. [Para 30] [305-C-D]**

4. On the facts of this case, it is not convincing to suggest that the appellant has adopted the trade mark to take unfair G **advantage of the trade mark of the respondent. The use of mark 'NANDHINI' by appellant in respect of its different goods would not be detrimental to the purported distinctive character or repute of the trade mark of the respondent. It is to be kept in mind that**

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the appellant had adopted the trade mark in respect of items sold in its restaurants way back in the year 1989 which was soon after the respondent had started using the trade mark 'NANDINI'. There is no document or material produced by the respondent to show that by the year 1989 the respondent had acquired distinctiveness in respect of this trade mark, i.e., within four years of the adoption thereof. It, therefore, appears to be a case of concurrent user of trade mark by the appellant. [Para 32] [308-C-E]

5. As a result, the order of the Deputy Registrar granting registration in favour of the appellant is hereby restored, subject to the modification that registration will not be given in respect of those milk and milk products for which the appellant has abandoned its claim. [Para 34] [309-A-B]

Vishnudas Trading as Vishnudas Kushandas v. The Vazir Sultan Tobacco Ltd. and Anr. **1996 (5) SCALE 267 : [1996] 3 Suppl. SCR 329 ;** *Eco Lean Research and Development A/S* v. *Intellectual Property Appellate Board and The Asst. Registrar of Trade Marks, Trade Mark Registry* **MANU/TN/3041/2011 ;** *London Rubber Co. Ltd.* v. *Durex Products Incorporated & Anr.* **[1964] 2 SCR 211 ;** *Cadila Health Care Ltd.* v. *Cadila Pharmaceuticals Ltd.* **(2001) 5 SCC 73 : [2001] 2 SCR 743 ;** *National Sewing Thread Co. Ltd. v. James Chadwick and Bros.* **AIR 1953 SC 357 : [1953] SCR 1028 ;** *Bhanu Kumar Jain v. Archana Kumar and Anr.* **(2005) 1 SCC 787 : [2004] 6 Suppl. SCR 1104 ;** *Hope Plantations Ltd. v. Taluk Land Board, Peermade and Another* **(1999) 5 SCC 590 : [1998] 2 Suppl. SCR 514 – referred to.**

Polaroid Corporation v. *Polarad Electronics Corporation* **182 F. Supp. 350 (1960) ;** *Shree Nath Heritage Liquor Pvt. Ltd. & Ors.* v. *Allied Blender and Distillers Pvt. Ltd.* **(2015) 221 DLT 359 ;** *Nestle India Ltd.* v. *Mood Hospitality Pvt. Ltd.* **(2010) 42 PTC 514 (Del) (DB) ;** *British Sugar Plc* v. *James Robertson & Sons Ltd.* **(1996) RPC 281 (CH) – referred to.**

Case Law Reference

[1996] 3 Suppl. SCR 329	**referred to**	**Para 11**
[1964] 2 SCR 211	**referred to**	**Para 18**
[2001] 2 SCR 743	**referred to**	**Para 18**
[1953] SCR 1028	**referred to**	**Para 27**
[2004] 6 Suppl. SCR 1104	**referred to**	**Para 33**
[1998] 2 Suppl. SCR 514	**referred to**	**Para 33**

CIVIL APPELLATE JURISDICTION : Civil Appeal Nos. 2937-2942 of 2018

From the Judgment and Order dated 02.12.2014 of the High Court of Karnataka at Bengaluru in Writ Petition Nos. 37192-37193, 37194-37195 and 37203-37204 of 2013

WITH

Civil Appeal Nos. 2943-2944 of 2018.

Sushant Singh, Ms. Namita Choudhary, Manish Choudhary, Harshul Choudhary, Ms. Kritika Khurana, Advs. for the Appellant.

Raghavendra S. Srivatsa, Saurabh Agarwal, Ms. Komal M., Pankaj Kumar Mishra, A. S. Bhasme, Advs. for the Respondent.

The Judgment of the Court was delivered by

A. K. SIKRI, J. 1. The judgment dated 2nd December, 2014 given by the High Court of Karnataka in writ petitions filed by the appellant herein is the subject matter of detailed debate and arguments in the present proceedings, because of the reason that the dispute in question has evoked considerable controversy. The dispute pertains to the use of mark 'NANDHINI'. The respondent herein, which is a Cooperative Federation of the Milk Producers of Karnataka, adopted the aforesaid mark 'NANDINI' in the year 1985 and under this brand name it has

been producing and selling milk and milk products. It has got registration of this mark as well under Class 29 and Class 30. The appellant herein, on the other hand, is in the business of running restaurants and it adopted the mark 'NANDHINI' for its restaurants in the year 1989 and applied for registration of the said mark in respect of various foodstuff items sold by it in its restaurants. The respondent had opposed the registration and the objections of the respondent were dismissed by the Deputy Registrar of the Trade Mark who passed orders dated August 13, 2007 allowing the registration of the said mark in favour of the appellant.

2. We may note at this stage itself that the mark used by the appellant is objected to by the respondent on the ground that it is deceptively similar to the mark of the respondent and is likely to deceive the public or cause confusion. According to the respondent, the appellant could not use the said mark which now belongs to the respondent inasmuch as because of its long and sustained use by the respondent, the mark 'NANDINI' is held to have acquired a distinctive character and is well-known to the public which associates 'NANDINI' with the respondent organization. Therefore, according to the respondent, it has exclusive right to use the said mark and any imitation thereof by the appellant would lead the public to believe that the foodstuffs sold by the appellant are in fact that of the respondent. When these objections were rejected by the Deputy Registrar and registration granted to the appellant, the respondent approached the Intellectual Property Appellate Board (for short, 'IPAB'), Chennai by filing appeal with the prayer that the registration given by the Deputy Registrar, Trade Mark in favour of the appellant be cancelled. These appeals of the respondent were allowed by the IPAB vide common order dated 4th October, 2011 and the writ petitions filed by the appellant there against have been dismissed by the High Court vide impugned order dated 2nd December, 2014, thereby confirming the order of the IPAB and, in the process, accepting the plea of the respondent therein.

3. Before we proceed further, it is pertinent to mention at this stage that the milk and milk products, which are sold by the respondent under the trade mark of 'NANDINI', fall under Class 29 and Class 30 as per classification under Schedule IV to the Trade Marks Rules, 2002. On the other hand, various kinds of foodstuffs sold by the appellant in its restaurants also fall under Class 29 and 30 as well as other Classes.

A 4. For the sake of clarity and comparison, we may also, at this stage itself, give the representation of competing marks of the appellant as well as respondent, which is as under :

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G 5. Before we we proceed to state the arguments of the learned counsel for appellant and rebuttal thereof by the respondent, it would be necessary to have a brief discussion in respect of the orders passed by the Deputy Registrar of Trade Marks, IPAB and the High Court.

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ORDER OF THE DEPUTY REGISTRAR, TRADE MARKS:

6. This order discloses that the appellant herein had moved the applications for registration of trade mark 'NANDHINI DELUXE WITH LOGO (Kannada)" in respect of meat, fish, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, jellies, jams, eggs, milk and milk products, edible oils and fats, salad dressings, preserves and all other goods being included in Class 29. In the Opposition filed by the respondent herein, it was, inter alia, stated that respondent was manufacturer and dealer of milk and milk products, cattle feed and other allied products which are the source of 'NANDINI' products. Trade mark 'NANDINI' with device of the cow is being used by the respondent extensively not only in the State of Karnataka but in other parts of country as well. This trade mark was registered in the name of the respondent which was used right from the year 1985. The trade mark sought to be adopted by the appellant was confusingly and deceptively similar to the respondent's trade mark. It was a clever move on the part of the appellant who wanted to trade upon and benefit from the reputation and goodwill acquired by the respondent for the last so many years and, therefore, the appellant could not claim any proprietary rights in the impugned mark under Section 18(1) of the Trade Marks Act, 1999 (hereinafter referred to as the 'Act'). Registration was objected to under Sections 9,11,12 and 18 of the Act.

7. In the counter statement filed by the appellant to the aforesaid objections, it was pleaded that the appellant had honestly conceived and adopted the trade mark 'NANDHINI' in Kannada with a particular artistic work, design and getup for running vegetarian and non-vegetarian Andhra style restaurant. It had opened as many as six branches (particulars whereof were given) all over Bangalore by using trade mark 'NANDHINI' since 1989. The appellant had also obtained registration of copyright of 'NANDHINI' under Copyright Act, 1957. It was further argued that since the artistic work, design and getup adopted by the appellant was totally different, there was no question of any deception or confusion arising in the mind of public. Moreover, the class of purchasers/customers of both the trade marks was entirely different. The Deputy Registrar noted that the issues involved in these proceedings

were based on Sections[1] 9, 11 and 18 of the Act. As per Section 9, the generic words cannot be registered as trade mark unless they have

[1] S.9. Absolute grounds for refusal of registration.—(1) The trade marks—

(a) which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person;

(b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

(c) which consist exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practices of the trade,

shall not be registered:

Provided that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trade mark.

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

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

(b) it contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India;

(c) it comprises or contains scandalous or obscene matter;

(d) its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950 (12 of 1950).

(3) A mark shall not be registered as a trade mark if it consists exclusively of—

(a) the shape of goods which results from the nature of the goods themselves; or

(b) the shape of goods which is necessary to obtain a technical result; or

(c) the shape which gives substantial value to the goods.

Explanation.—For the purposes of this section, the nature of goods or services in relation to which the trade mark is used or proposed to be used shall not be a ground for refusal of registration.

S. 11 Relative grounds for refusal of registration.—(1) Save as provided in section 12, a trade mark shall not be registered if, because of—

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

(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

acquired distinctiveness and are associated with the persons/company using the said mark. The case set up by the appellant was that its mark was distinctive one and was its trading style as well. It was also argued

(2) A trade mark which—

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

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor, shall not be registered, if or to the extent, the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of law of copyright.

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

(a) a registered trade mark or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks;

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

A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including—

(I) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;

A that trade mark 'NANDHINI' is not an invented word and, therefore, there was no question of copying trade mark of the respondent. The

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade
B mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;

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(v) the record of successful enforcement of the rights in that trade mark; in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is
D known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account—

(I) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that
E trade mark applies.

(8) Where a trade mark has been determined to be well-known in at least one relevant section of the public in India by any court or Registrar, the Registrar shall consider that trade mark as a well-known trade mark for registration under this Act.

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(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:—

(i) that the trade mark has been used in India;

(ii) that the trade mark has been registered;

(iii) that the application for registration of the trade mark has been filed in
G India;

(iv) that the trade mark—

(a) is well known in; or

(b) has been registered in; or

(c) in respect of which an application for registration has been filed in, any
H jurisdiction other than India; or

(v) that the trade mark is well-known to the public at large in India.

word 'NANDHINI' represents the name of goddess and a cow in Hindu Mythology. The trade mark 'NANDHINI' is used by people from all walks of life and it is also referred in puranas and Hindu mythological stories. Large number of people worship NANDHINI as a goddess and, therefore, the respondent cannot claim monopoly over the word 'NANDHINI'.

(10) While considering an application for registration of a trade mark and opposition filed in respect thereof, the Registrar shall—

(i) protect a well-known trade mark against the identical or similar trade marks;

(ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.

(11) Where a trade mark has been registered in good faith disclosing the material informations to the Registrar or where right to a trade mark has been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark.

S. 18. Application for registration.—(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trade mark.

(2) A single application may be made for registration of a trade mark for different classes of goods and services and fee payable therefor shall be in respect of each such class of goods or services.

(3) Every application under sub-section (1) shall be filed in the office of the Trade Marks Registry within whose territorial limits the principal place of business in India of the applicant or in the case of joint applicants the principal place of business in India of the applicant whose name is first mentioned in the application as having a place of business in India, is situate: Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the office of the Trade Marks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situate.

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

(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision.

A 8. Taking note of the aforesaid submissions and virtually accepting the same, the Deputy Registrar noted that since the appellant is using the trade mark continuously from 1st April, 1989 which claim of the appellant was supported by documentary proof, objection raised by the respondent under Section 9 stood waived.

B 9. Coming to Section 11 of the Act which prohibits registration of mark and the goods in which it is sought for registration is likely to deceive or confuse, he noted that whereas respondent's mark is 'NANDINI' *per se*, the appellant's mark is 'NANDHINI DELUXE WITH LOGO (In Kannada). Moreover, respondent is using trade mark 'NANDINI' in respect of dairy products, i.e., milk and milk products only. On the C other hand, the goods for which the registration was sought by the appellant were altogether different, even though both fall in the same Class, i.e., Class 29. Highlighting this factual difference of the nature of goods in which the appellant and respondent are trading, the Deputy Registrar was of the view that the respondent's objection under Section D 11 was not tenable. While coming to this conclusion, he also took aid of some judgments of the IPAB as well as different High Courts. In the process, he also rejected the contention of the respondent that the trade mark used by the appellant was a colourable imitation of the respondent's trade mark which was well-known mark under Section 11(2) of the Act.

E 10. Dealing with the objections on the touchstone of Section 18 of the Act, the Deputy Registrar came to a conclusion that the appellant is the proprietor of the mark as claimed under Section 18(1) of the Act, but restricted his entitlement for registration by holding that the appellant would not be entitled to registration in respect of milk and milk products. Relevant discussion in this behalf is reproduced below:

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> "The balance of convenience is in favour of the applicants. The applicants are the extensive user of the mark since the year 1989. the adoption of the mark by the Applicants is honest and concurrent. To prove their claim, the applicants have filed documents in support of application. In these circumstance, the G applicants are having definite claim to the proprietorship of the mark applied for. Hence the Applicants are the proprietors of the mark as claimed for under the provisions of Section 18(1) of the Act.

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On carefully considered the arguments advanced by both the counsel and materials available on the record and the evidence adduced by the concerned parties, in the interest of justice and purity of the Register since the Applicants are not using milk and milk products in class-29 whereas the Opponents have proved that they are the famous Dairy products producers and the evidence produced by the Opponents also reveals that they are using the mark for Milk and Milk products only. Therefore, the applicants are directed to delete the goods "Milk and Milk products" from the specification of goods by way of filing a request on from TM-16 to delete the same and after deletion of the goods, the same should be notified in the Trade Marks Journal.

It is significant to note that both Applicant and Opponent are carrying business in Bangalore. While the Applicant claims to be suing the trade mark NANDHINI since 1989, the Opponents have been using the trade mark NANDINI prior to Applicant, the artistic work, design and getup are totally different. While the Applicant has been using the traded mark NANDHINI with a lamp and written in a particular style, the Opponents are using NANDINI with device of cow. The Opponent has not produced any evidence to show that use of trade mark NANDHINI by Applicant is causing confusion or deception. In view of continuous user of the trade mark NANDHINI by Applicant, the Applicant has deemed to have become proprietor of the trade mark NANDHINI.

Lastly coming to the exercise of discretion of the Registrar vested with him, the onus to prove the claim of proprietorship of the mark is always on the Applicants. The Applicants have successfully discharged their onus that they are the proprietors of the mark NANDHINI DELUXE WITH LOGO (Kannada) applied for registration. In order to safeguard the public interest and to protect the intellectual and industrial property rights of the Applicants who are honest adopters and bonafide users, the applicant's trade mark is to be protected by granting registration enabling the applicants to use their mark legally without any hindrance, this authority has no other alternative except to allow application and to grant registration of the impugned mark.

A In view of the foregoing, it is ordered that the opposition No. MAS-194405 is dismissed and application No. 982285 in Class-29 shall proceed to registration subject to deleting the items "Milk and Milk products" from the specification of goods by filing a request on form TM-16 and the amended application should be notified in the Trade Marks Journal."

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ORDER DATED 20TH APRIL, 2010 OF THE IPAB :

11. The aforesaid order rejecting the opposition of the respondent to the registration of trade mark 'NANDHINI' as sought by the appellant and allowing appellant's application for registration, except for milk and C milk products, was challenged by the respondent by filing set of appeals. One such appeal being OA/4/2008/TM/CH was decided by IPAB vide its order 20th April, 2010. The IPAB referred to the judgment of this Court in ***Vishnudas Trading as Vishnudas Kushandas vs. The Vazir Sultan Tobacco Ltd. and Anr.***[2] and quoted the following passage therefrom:-

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"In our view if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bonafide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader E or manufacturers to get registration of separate and distinct goods which may also be grouped under the broad classification."

12. If registration has been given generally in respect of all the articles under the broad classification and if it is established that the trader or manufacturer who got such registration had not intended to F use any other article except the articles being used by such trader or manufacturer, the registration of such trader is liable to be rectified by limiting the ambit of registration and confining such registration to the specific article or articles which really concerns the trader or manufacturer enjoying the registration made in his favour.

G 13. The IPAB noted that in the instant case, the respondent is dealing with milk and milk products whereas the appellant is dealing with the other products like meat and fish etc. from which dishes are prepared in its restaurants and served to the customers. It took note of

[2] 1996 SCALE (5) 267

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certain principles that when a person trades or manufactures one good under the broad classification having no bona fide intention to trade in all other goods falling under that broad classification, he cannot be permitted to enjoy monopoly in articles falling under such classification as held in ***Vishnudas Trading as Vishnudas Kushandas***[2]**.** Therefore, in the instant case, when the respondent has its limited business only in milk and milk products with no intention to expand the business of trading in other goods falling under Class 29 and the appellant was given registration in other articles only, specifically excluding milk and milk products, there was nothing wrong in according registration of those products in favour of the appellant under the trade mark 'NANDHINI'. The IPAB also observed that the respondent had failed to prove that by allowing such registration in favour of the appellant, any confusion or deception would ensue. On that reasoning, appeal of the respondent was dismissed. At the same time, the appellant was asked to file a request on Form 16 to delete the goods 'milk and milk products'

The appellant filed the affidavit to this effect, as directed by IPAB on 18th July, 2011.

ORDER DATED 4TH OCTOBER, 2011 OF THE IPAB :

14. Notwithstanding, order dated 20th April, 2018 passed by the IPAB, insofar as other appeals of the respondent are concerned, the events took a different turn as vide orders dated 4th October, 2011 appeals of the respondent herein were allowed by the IPAB. It accepted the case of the respondent that 'NANDINI' is a well-known trade mark and a household name in the State of Karnataka and that it is the registered trade mark of the respondent. The goods sold are milk and milk products such as curd, butter, cheese, ghee, milk powder, flavoured milk, paneer, khoya, ice cream and all milk based sweets. They are sold in bottles, sachets, tetra packs, polythene containers etc. The device used by the respondent is standing cow on a grass land having rising sun in the background. The IPAB also took note of the statistics given by the respondent in respect of sales turnover as well as advertisement and sale promotion expenditure for the last 10 years. It had obtained several registrations in respect of trade mark NANDINI and label forms in Classes 29, 30, 31 and 32 and had also secured copyright registration as early as in the year 1984 and 1985.

A 15. In the opinion of IPAB, the appellant is running a restaurant which would come under Class 42 with which the Board was not concerned. Therefore, the fact that respondent had not raised any objection to appellant's mark for 18 years was of no relevance.

It also noted that insofar as this trade mark 'NANDINI' used by
B the respondent is concerned, it has acquired distinctiveness. It further held that since milk and milk products fall under Classes 29 and 30 and the goods registered in the name of the appellant also fall in the same class, the average consumer would conclude that goods manufactured by the appellant belonged to the respondent and, therefore, there is likelihood of confusion. Further, the respondent was using the trade
C mark prior to the appellant in the same class of goods and, therefore, registration of the appellant's mark could not be permitted. We would like to reproduce the following discussion as that captures the entire essence of the reasoning given by the IPAB in support of its conclusion:

D "14. So each case has to be decided on the basis of t he facts on hand. With regard to the appellant's mark we find that one of the documents which is the Kannada Weekly Sudha where it is stated that "I am using NANDINI. You?" In Tharanga Kahhanda Weekly, 'Nandini Ghee has a role in every moment of life celebration" (translated from Kannada). These are pieces of
E evidence to show that the word Nandini itself has become associated with the appellant's products and therefore, though it might be a Hindu name, or even a deity's name, it has come to be recognized as a distinctive mark of the appellant by the appellant's use of the same for nearly two decades. The conclusion of the Registrar that it is not likely to confuse cannot be sustained. The
F word is identical. The addition of a letter H by the respondent cannot make a difference. Whether it is Nandini or Nandhini, it is pronounced identically. And in Kannada there is no difference in the spelling of the trademark of the appellant and that of the respondent.

G 15. We have referred to the advertisement which says 'I am using Nandini". It is clear that the consumer and the general public who are the source of the goods 'when the word Nandini is used. When that is so, we cannot permit the respondent to use

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the identical mark in relation to goods which are akin to the appellants.

16. The addition of the Word Deluxe cannot improve the case of the respondent since the word NANDHINI is identical and it definitely will confusion in the minds of the consumers.

17. The priority in use is indisputably the appellants. It has been so and consistently used that the marks have become entrenched in the minds of the consumer. It will definitely not being in the interest of the public to allow the respondent to use the mark in connection with the goods in question. The balance of convenience is not in favour of the respondent."

IMPUGNED JUDGMENT OF THE HIGH COURT:

16. The High Court upholding the order dated 4th October, 2011 of the IPAB and dismissing the writ petitions of the appellant herein has done nothing except accepting the the aforesaid reasoning of the IPAB, namely, (a) mark NANDINI as held by the respondent has acquired a distinctive character and has become well-known; (b) the use of another mark is different only in one alphabet but with no difference in spelling or pronunciation in the local language and would very likely to cause confusion in the minds of public if allowed to be registered for the commodities falling in the same class; (c) argument of the appellant herein that it was running the business of restaurant since 1989 and the respondent had started using mark 'NANDINI' since the year 1985 only for milk and not for other products was rejected on the ground that there is no foundation in facts for the aforesaid argument and no material was produced to substantiate the same.

17. As stated in the beginning, very detailed arguments are advanced by counsel for both the parties. The precise nature of the arguments of the parties is as follows:

18. Mr. Sushant Singh, learned counsel appearing for the appellant, advanced the following propositions, while laying attack to the orders of IPAB as well as the High Court:

(i) In the first instance, he submitted that both the High Court of Karnataka as well as IPAB grossly erred in law in interpreting

A the provisions of Section 11 of the Act to mean that once a trademark has acquired a distinctive character, then the registration of the trade mark is barred and is likely to cause confusion if it is allowed to be registered in the commodities within the same class. His response was that this finding of the High Court of Karnataka as well as of IPAB, is in principle erroneous inasmuch as there is B no proposition of law which supports this interpretation to Section 11 of the Act. Learned counsel emphasised that no proper weightage and consideration was given to the fact that goods and services of the appellant were totally different from that of the respondent and, therefore, there was no likelihood of confusion or C deception among the public. Instead, the courts below compared only the marks. This is not in accord with Sections 9 and 11 of the Act. He also referred to the following judgments in support of his plea:

(a) ***Eco Lean Research and Development A/S*** v. ***Intellectual D Property Appellate Board and The Asst. Registrar of Trade Marks, Trade Mark Registry***[3]:

"11. As noticed above, the intimation given to the petitioner at the first instance by the Trade Mark Registry on 6.12.2007 is by stating that the registration has been refused under Sections 9 E and 11 of the Act. However, in the grounds of decision, the order proceeds only under Section 11 and not under Sections 9 and 11 of the Act."

(b) ***British Sugar Plc*** v. ***James Robertson & Sons Ltd.***[4]:

"(d) Infringement pursuant to section 10(2)?

F Because "Treat" is the very mark registered and is clearly used by Robertson's I think the case falls to be considered under section 10(2)(a), the identical mark/similar goods provision. I do not think it falls within section 10(2)(b) because I reject the argument that the sign used is to be regarded as "Robertson's G Toffee Treat". That is used too but the first two words are added matter and it does not matter in what capacity "Treat" is used.

The questions arising under section 10(2)(a) are:

[3] MANU/TN/3041/2011

H [4] (1996) RPC 281 (CH)

(1) Is the mark used in the course of trade? A

(2) Are the goods for which it is used similar to those covered by the registration?

(3) Is there a likelihood of confusion because of that similarity?

The first of these questions causes no difficulty here. The B problems arise under the second and third questions. British Sugar seek to elide the questions of confusion and similarity. Their skeleton argument contends that there is "use in relation to a product so similar to a dessert sauce that there exists a likelihood of confusion because the product may or will be used for identical purposes." I do not think it is C legitimate to elide the question in this way. The sub-section does not merely ask "will there be confusion?": it asks "is there similarity of goods?", if so, "is there a likelihood of confusion?" The point is important. For if one elides the two questions than a "strong" mark would get protection for a greater range of goods than a "weak" mark. For instance "Kodak" for socks or bicycles might well cause confusion, D yet these goods are plainly dissimilar from films or cameras. I think the question of similarity of goods is wholly independent of the particular mark the subject of registration or the defendant's sign."

(c) ***London Rubber Co. Ltd.*** v. ***Durex Products Incorporated & Anr.***[5]: E

"8. The provisions of Sections 8 and 10 of the Act are enabling provisions in the sense that it is not obligatory upon a proprietor of a mark to apply for its registration so as to be able to use it. But when a proprietor of a mark, in order to obtain the benefit of the F provisions of the Trade Marks Act, such as a legally protected right to use it, applies for registration of his mark he must satisfy the Registrar that it does not offend against the provisions of Section 8 of the Act. The burden is on him to do so. Confining ourselves to clause (*a*) the question which the Registrar has to decide is, whether having regard to the reputation acquired by G use of a mark or a name, the mark at the date of the application for registration if used in a normal and fair manner in connection with any of the goods covered by the proposed registration, will not be reasonably likely to cause deception and confusion amongst

[5] (1964) 2 SCR 211 H

A a substantial number of persons (See 38 *Halsbury's Laws of England* pp. 542-43). What he decides is a question of fact but having decided it in favour of the applicant, he has a discretion to register it or not to do so (*Re Hack's Application* [(1940) 58 RPC 91]). But the discretion is judicial and for exercising it against the applicant there must be some positive objection to registration, usually arising out of an illegality inherent in the mark as applied for at the date of application for registration (*Re Arthur Fairest Ltd. Application* [(1951) 68 RPC 197]). Deception may result from the fact that there is some misrepresentation therein or because of its resemblance to a mark, whether registered or unregistered, or to a trade name in which a person other than the applicant had rights (*Eno* v. *Dunn* [(1890) 15 AC 252]). Where the deception or confusion arises because of resemblance with a mark which is registered, objection to registration may come under Section 10(1) as well (See note 'k' at p. 543 of 38 *Halsbury's Laws of England*). The provisions in the English Trade Marks Act, 1938 (1 & 2 Geo. 6 clause 22) which correspond to Sections 8 and 10(1) to 10(3) of our Act are Sections 11 and 12(1) to 12(3). Dealing with the prohibition of registration of identical and similar marks Halsbury has stated at pp. 543-44, Vol. 38, thus:

> "Subject to the effect of honest concurrent use or other special circumstances, no trade mark may be registered in respect of any goods or description of goods that (*1*) is identical with a trade mark belonging to a different proprietor and already registered in respect of the same goods or description of goods; or (*2*) so nearly resembles such a registered trade mark as to be likely to deceive or cause confusion."

Since the Trade Marks Act, 1940 is based on the English statute and the relevant provisions are of the same nature in both the laws, though the language of Section 8(*a*) is slightly different from that of Section 11 of the English Act and that of Section 10(1) from that of Section 12(1) of the English Act, we see no reason for holding that the provisions of Section 8(*a*) would not apply where a mark identical with or resembling that sought to be registered is already on the register. The language of Section 8(*a*)

is wide and though upon giving full effect to that language the provisions of Section 10(1) would, in some respects, overlap those of Section 8(*a*), there can be no justification for not giving full effect to the language used by the legislature."

(ii) He also argued that even if it is assumed that Section 9(2)(a) is distinct from Section 11(1), insofar as enquiry "likelihood of confusion and deception" is concerned, it was supposed to be undertaken by applying well settled factors and variables which are stipulated in a series of judgments. He referred to ***Polaroid Corporation*** v. ***Polarad Electronics Corporation***[6], ***Shree Nath Heritage Liquor Pvt. Ltd. & Ors.*** v. ***Allied Blender and Distillers Pvt. Ltd.***[7] and ***Cadila Health Care Ltd.*** v. ***Cadila Pharmaceuticals Ltd.***[8] in this behalf.

(iii) Another submission of Mr. Sushant Singh was that the finding of the High Court that the mark is prohibited from registration in respect of entire class or classes of goods runs contrary to the principle of law laid down in ***Vishnudas Trading Co.*** v. ***Vazir Sultan Tobacco Co. Ltd.***[9] where the Court has observed that the monopoly under Trademark only extends to the goods which are falling in a particular class and not the entire class of goods and the trade mark which is identical or similar in nature can be registered for the goods which are falling within the same class inasmuch as giving the monopoly to the entire class of goods and services to the registered proprietor would lead to trafficking in the trade mark which is not the object and the purpose of the Trade Mark Act.

(iv) Learned counsel went to the extent of targeting the finding that Trademark "NANDHINI" adopted by the respondent is a well-known inasmuch as such finding was without any supporting material. In this behalf, he attempted to show that there was no finding by the IPAB that the mark "NANDHINI" of the respondent is a well-known mark. He argued that the concept of well-known trademark enshrined under Section 11(2) of the Act which gives wider net of protection to the trademarks in respect of different set of goods is a completely different

[6] 182 F. Supp. 350 (1960)

[7] (2015) 221 DLT 359

[8] (2001) 5 SCC 73

[9] (1997) 4 SCC 201

A than that of the Section 11(1). It is submitted that for arriving at the conclusion of well-known trademark there are certain defined parameters on which the trademark is required to be tested, as held by Delhi High Court in ***Nestle India Ltd.*** v. ***Mood Hospitality Pvt. Ltd.***[10]

B (v) According to the learned counsel, the matter also needed to be examined in the light of the fact that the nature of the mark "NANDHINI" which is admittedly a common name and name of the diety and coupled with its level of distinctiveness on account of its user confined to milk and milk products would not warrant invocation of Section 11(2) of the Act as the said provision is applicable in the present case. C Stress was laid on the submission that the use of the mark "NANDHINI" by the appellant is honest and with due cause since the year 1989. Respondent has never filed any suit for injunction against the appellant and clearly acquiesced to the user of the appellant. Therefore, Section 11(2) is not applicable.

D (vi) Advancing the aforesaid line of argument, his another submission was that Section 12 is an inbuilt scheme which allows the Registrar to register same or similar trademark in respect of same or similar goods. More so, when the name "NANDHINI" is a common name of the deity and common name of Hindu girl to which IPAB agrees. E In this context, he also referred to the order passed by the Registrar wherein concurrent user of both the appellant and the respondent was accepted and submitted that there was no reason to upset the said finding.

(vii) Mr. Sushant Singh further argued that since the respondent F was in the business of manufacture and marketing of milk and milk products only, and had admittedly not expanded its business to any other items in Class 29 or 30, the case of the respondent at the highest could be *qua* milk and milk products only. He submitted that the appellant was ready to give concession by not claiming any registration or G trademarks which fell in the category of milk and milk products. In this behalf, he submitted the list of goods which the appellant was ready to delete from its application for registration and the goods in respect of which the appellant intended to claim registration. This was submitted in the tabulated form as under:

[10] (2010) 42 PTC 514 (Del) (DB)

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CLASS	GOODS APPLIED IN THE TRADE MARK APPLICATION	GOODS PROPOSED TO BE DELETED	GOODS PROPOSED TO BE RETAINED
Class 29	TRADE MARK APP. NO. 982285 Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs; milk and milk products; edible oils and fats, salad dressings, preserves and all other goods being included in Class 29.	Eggs; milk and milk products and all other goods being included in Class 29.	Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; edible oils and fats, salad dressings, preserves
Class 30	TRADE MARK APP. NO. 817305 Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking-powder, salt, mustard, vinegar, sauces (except salad dressings), spices, ice and all other goods being included in Class 30 TRADE MARK APP. NO. 982284 Coffee, tea, cocoa, sugar, rice, sago, substitute flour and preparations made from cereal, bread, biscuits, cakes, pastry and confectionery, ices, honey, yeast, baking powder, salt, mustard, pepper, masala paste, vinegar sauces, spices	Tea, coffee, cocoa, artificial coffee, coffee substitute, biscuits, cakes, pastry and confectionery, ices, ice and all other goods being included in Class 30.	Sugar, rice, tapioca, sago, flour and preparations made from cereals, bread, honey, treacle, yeast, baking-powder, salt, mustard, pepper, masala paste, vinegar, sauces (except salad dressings), spices.

(viii) The learned counsel submitted that neither the IPAB nor the High Court had answered all the questions/issues which had been raised by the Registrar on the basis of which findings of the Registrar had been premised including under Section 12 of the Act. Moreover,

A argued the counsel, IPAB did not even refer to or take into consideration the earlier order dated April 20, 2010 passed by IPAB itself wherein IPAB had dismissed the appeal of the respondent on the same issue. Therefore, the appeal filed by the respondent before the IPAB was even barred by the Principle of Issue Estoppel.

B 19. Mr. S.S. Naganand, learned senior counsel appearing for the respondent submitted, *per contra*, that IPAB had properly considered all the contentions expressly argued in the appeal as well as in the review petition. It had recorded the factual position and upon such appreciation of facts, the IPAB concludes not only that "*the word Nandhini has acquired a distinctiveness"* but also that "*there is no doubt that if goods under Class 29 and 30 bearing the respondent's (petitioner herein) trademark come out in the market, the average consumer would conclude that it belongs to the Karnataka Cooperative Milk Producers Federation*". The IPAB was also pleased to hold that "*the work Nandhini itself has become associated with the appellant's (present respondent's) products and, therefore, though it might be a Hindu name, or even a deity's name, it has come to be recognized as a distinctive mark of the appellant by the appellant's use of the same for nearly two decades. The conclusion of the Registrar that it is not likely to confuse cannot be sustained."* These findings were expressly affirmed by the High Court in the impugned judgment. Mr. Naganand also submitted that all the essential characteristics of a well-known mark as understood under Section 11(2) read with Section 11(8) of the Act have been found by the IPAB in the respondent's mark "NANDHINI". Under Section 11(8) of the Act, if any Court or Registrar has found that a trade mark is well-known in at least one relevant section of the public in India, it shall be a well-known trade mark for purposes of the Act. Based on the facts and evidence on record, IPAB has clearly recorded a finding that the respondent's trademark is associated with the respondent organisation and that it has acquired distinctiveness in Paras 9 and 14 of the IPAB order. These findings of fact cover the essentials to be considered as a 'well-known' trademark and a household name. The High Court has affirmed the correct findings of the IPAB. He asserted that the respondent's trademark "NANDHINI" is a household name in the entire South India, and more so in Karnataka. "NANDHINI" is to Karnataka what "Amul" is to Gujarat. Therefore,

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there can be no doubt as to "NANDHINI" being a well-known mark. It is important to note that the appellant is running Restaurants only in the city of Bangalore in Karnataka and one town in Tamil Nadu. Outside the city of Bangalore, the public are not aware of the respondent's restaurant and "NANDHINI" all over Karnataka is related exclusively to the respondent organisation.

20. Insofar as argument of the appellant that "NANDHINI" is the name of a God/Deity and, therefore, cannot be registered as Trademark, reply of the learned senior counsel was that this argument is counterproductive and against the appellant's own interest. He submitted that the prevailing question in the present petition is whether or not the appellant can register a trademark bearing the name "NANDHINI". If it is the appellant's averment that the name "NANDHINI" is the name of a Hindu deity and as a result cannot be registered, then such an argument will not only render futile the very registration the appellant has applied for, but will also render the present petition otiose.

Without prejudice to the above, he argued that merely because the word "NANDHINI" denotes a Hindu Goddess or deity, does not mean that it cannot be registered. He submitted that the only provision contained in the Act on the subject matter of registration of trademarks that affect religious sentiments is contained in Section 9(2)(b) which is set out below for ready reference:

> "Section 9(2) : A mark shall not be registered as a trademark if:
>
> (b) : it contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India."

21. According to the learned senior counsel, the significance of Nandhini, as a symbol of purity and the source of wholesome milk is the reason for the adoption of that word by the respondent. In view of the same, the registration of the trademarks of the respondent in the present case, do not fall within the ambit of the provisions of Section 9(2)(b) of the Act. There is no prohibition in law to include the name of any God as a part of a trademark. It is settled law that if a mark has obtained a secondary distinctiveness in the minds of the consumer, then the same should be registered and protected. He emphasised that the respondent has been able to prove that the appellant's case was covered by Section

A 11(2) of the Act and, therefore, it could not be registered. For this purpose, he referred to the judgment of Delhi High Court in ***Nestle India Ltd.*** wherein the Court laid down following conditions which need to be satisfied for the applicability of Section 11(2):

> "(a) The mark has to be identical with or similar to an earlier
> B trademark and is to be registered for goods or services which are not similar to those for which the earlier trademarks is registered – both the aforementioned conditions (forming sub-section (a) and (b) of Section 11(2)) have to be satisfied and not just one, due to the use of the word and between them.
>
> C (b) The registered Trademark must have a reputation in India, and
>
> (c) The use of the mark in question must be without due cause, and
>
> (d) Such use must take unfair advantage of or be detrimental to
> D the distinctive character or repute of the registered trademark."

22. In this hue, another submission of the learned senior counsel for the respondent was that the appellant's contention regarding honest and concurrent user was untenable for the following reasons:

> E (a) The question of the Court/Registrar taking into consideration the provisions of Section 12 of the Act, which provides for registration in the case of honest and concurrent user does not arise as the very basis for the application of this Section is the "***honesty of the concurrent use."*** The appellant was well-aware of the widespread use of the mark Nandhini by the respondent
> F and has admitted that they were purchasing Nandhini milk for their restaurant. Therefore, the appellant cannot claim to be an honest or concurrent user, as such claims would be contrary to the evidence placed on record and their own admissions.
>
> (b) Section 12 of the Act relates to identical or similar goods or
> G services. The appellant is not in the business of selling milk or milk products and the claim made by it is with regard to the trading style for their restaurants' name "NANDHINI". Therefore, the goods or services of the appellant are neither identical, nor similar, to those of the the respondent.

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(c) At any rate, Section 11(2) being couched in negative language indicates that it is mandatory nature and would override the provisions of Section 12.

(d) Section 12 has never been expressly pleaded by the appellant. In any case, this contention has not been expressly argued on behalf of the appellant before the lower fora.

23. We have duly considered the aforesaid submissions of both the counsel with reference to the record of the case. Though the detailed arguments are advanced touching upon various aspects, it is not necessary to traverse through all these arguments. We proceed on the presumption that the trade mark 'NANDHINI', which is registered in the name of the appellant has acquired distinctiveness though the appellant disputes the same. Otherwise also there is no challenge to the registration of this name in favour of the respondent. The moot question, according to us, is as to whether the appellant is entitled to seek registration of the mark 'NANDHINI' in respect of the goods in which it is dealt with, as noted above. Therefore, the fulcrum of the dispute is as to whether such a registration in favour of the appellant would infringe rights of the respondent. The entire case of the respondent revolves around the submissions that the adaptation of this trade mark by the appellant, which is phonetically similar to that of the respondent, is not a *bona fide* adaptation and this clever device is adopted to catch upon the goodwill which has been generated by the respondent in respect of trade mark 'NANDINI'. On that premise, the respondent alleges that the proposed trade mark 'NANDHINI' for which the appellant applied for registration is similar trade mark in respect of similar goods and, therefore, it is going to cause deception and confusion in the minds of the users that the goods in which the appellant is trading, in fact, are the goods which belong to the respondent. Precisely, it is this controversy which needs to be addressed in the first instance.

24. Before we answer as to whether the approach of the IPAB and the High Court in the impugned orders is correct, as contended by the respondent or it needs to be interdicted as submitted by the appellant, some of the relevant facts about which there is no dispute, need to be recapitulated. These are as follows:

A (A) Respondent started using trade mark in respect of its products, namely, milk and milk products in the year 1985. As against that, the appellant adopted trade mark 'NANDHINI' in respect of its goods in the year 1989.

(B) Though, the respondent is a prior user, the appellant also had
B been using this trade mark 'NANDHINI' for 12-13 years before it applied for registration of these trade marks in respect of its products.

(C) The goods of the appellant as well as respondent fall under the same Classes 29 and 30. Notwithstanding the same, the goods of the appellant are different from that of the respondent. Whereas the
C respondent is producing and selling only milk and milk products the goods of the appellant are fish, meat, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, edible oils and fats, salad dressings, preserves etc. and it has given up its claim *qua* milk and milk products.

D (D) Insofar as application for registration of the milk and milk products is concerned, it was not granted by the trade mark registry. In fact, the same was specifically rejected. The appellant was directed to file the affidavit and Form 16 in this behalf to delete the goods 'milk and milk products' which affidavit was filed by the appellant. Further concession is already recorded above.

E (E) NANDINI/NANDHINI is a generic, it represents the name of Goddess and a cow in Hindu Mythology. It is not an invented or coined word of the respondent.

(F) The nature and style of the business of the appellant and the
F respondent are altogether different. Whereas respondent is a Cooperative Federation of Milk Producers of Karnataka and is producing and selling milk and milk products under the mark 'NANDINI', the business of the appellant is that of running restaurants and the registration of mark 'NANDHINI' as sought by the appellant is in respect of various foodstuffs sold by it in its restaurants.

G (G) Though there is a phonetic similarity insofar as the words NANDHINI/NANDINI are concerned, the trade mark with logo adopted by the two parties are altogether different. The manner in which the appellant has written NANDHINI as its mark is totally different from

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the style adopted by the respondent for its mark 'NANDINI'. Further, the appellant has used and added the word 'Deluxe' and, thus, its mark is 'NANDHINI DELUXE'. It is followed by the words 'the real spice of life'. There is device of lamp with the word 'NANDHINI'. In contrast, the respondent has used only one word, namely, NANDINI which is not prefixed or suffixed by any word. In its mark 'Cow' as a logo is used beneath which the word NANDINI is written, it is encircled by egg shape circle. A bare perusal of the two marks would show that there is hardly any similarity of the appellant's mark with that of the respondent when these marks are seen in totality.

25. When we examine the matter keeping in mind the aforesaid salient features, it is difficult to sustain the conclusion of the IPAB in its order dated 4th October, 2011 as well in the impugned order of the High Court that the mark adopted by the appellant will cause any confusion in the mind of consumers, what to talk of deception. We do not find that the the two marks are deceptively similar.

26. We are of further opinion that the earlier order dated 20th April, 2010 of IPAB approached the subject matter in correct perspective. The test laid down in ***Polaroid Corporation vs. Polarad Electronics Corporation***[11] is as follows:

> "The problem of determining how far a valid trademark shall be protected with respect to goods other than those to which its owner has applied it, has long been vexing and does not become easier of solution with the years. Neither of our recent decisions so heavily relied upon by the parties, Harold F. Ritchie, Inc. v. Chesebrough-Pond's, Inc., 2 Cir., 1960, 281 F.2d 755, by plaintiff, and Avon Shoe Co., Inc. v. David Crystal, Inc., 2 Cir., 1960, 279 F.2d 607 by defendant, affords much assistance, since in the Ritchie case there was confusion as to the identical product and the defendant in the Avon case had adopted its mark "without knowledge of the plaintiffs' prior use," at page 611. Where the products are different, the prior owner's chance of success is a function of many variables: the strength of his mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, and the reciprocal of defendant's good faith in

[11] 287 F.2d 492 (1961)

A adopting its own mark, the quality of defendant's product, and the sophistication of the buyers. Even this extensive catalogue does not exhaust the possibilities — the court may have to take still other variables into account. American Law Institute, Restatement of Torts, §§ 729, 730, 731. Here plaintiff's mark is a strong one and the similarity between the two names is great, but the evidence of actual confusion, when analyzed, is not impressive. The filter seems to be the only case where defendant has sold, but not manufactured, a product serving a function similar to any of plaintiff's, and plaintiff's sales of this item have been highly irregular, varying, e. g., from $2,300 in 1953 to $303,000 in 1955, and $48,000 in 1956."

27. This Court in ***National Sewing Thread Co. Ltd. vs. James Chadwick and Bros.***[12] accepted the following principles which are to be applied in such cases:

"22. The principles of law applicable to such cases are well settled. The burden of proving that the trade mark which a person seeks to register is not likely to deceive or to cause confusion is upon the applicant. It is for him to satisfy the Registrar that his trade mark does not fall within the prohibition of Section 8 and therefore it should be registered. Moreover in deciding whether a particular trade mark is likely to deceive or cause confusion that duty is not discharged by arriving at the result by merely comparing it with the trade mark which is already registered and whose proprietor is offering opposition to the registration of the mark. The real question to decide in such cases is to see as to how a purchaser, who must be looked upon as an average man of ordinary intelligence, would react to a particular trade mark, what association he would form by looking at the trade mark, and in what respect he would connect the trade mark with the goods which he would be purchasing."

28. Applying the aforesaid principles to the instant case, when we find that not only visual appearance of the two marks is different, they even relate to different products. Further, the manner in which they are traded by the appellant and respondent respectively, highlighted above, it is difficult to imagine that an average man of ordinary intelligence would associate the goods of the appellant as that of the respondent.

[12] AIR 1953 SC 357

29. One other significant factor which is lost sight of by the IPAB as well as the High Court is that the appellant is operating a restaurant under the trademark 'NANDHINI' and it had applied the trademark in respect of goods like coffee, tea, cocoa, sugar, rice, rapioca, sago, artificial coffee, flour and preparations made from cereals, bread, pastry, spices, bill books, visiting cards, meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces, etc. which are used in the products/services of restaurant business. The aforesaid items do not belong to Class 29 or 30. Likewise, stationery items used by the appellant in the aid of its restaurant services are relatable to Class 16. In these circumstances, there was hardly any question of confusion or deception.

30. Having arrived at the aforesaid conclusion, the reasoning of the High Court that the goods belonging to the appellant and the respondent (though the nature of goods is different) belong to same class and, therefore, it would be impermissible for the appellant to have the registration of the concerned trade mark in its favour, would be meaningless. That apart, there is no such principle of law. On the contrary, this Court in ***Vishnudas Trading as Vishnudas Kushandas***[2] has decided otherwise as can be seen from the reading of para 47 of the said judgment:-

> "**47.** The respondent Company got registration of its brand name "Charminar" under the broad classification "manufactured tobacco". So long such registration remains operative, the respondent Company is entitled to claim exclusive use of the said brand name in respect of articles made of tobacco coming under the said broad classification "manufactured tobacco". Precisely for the said reason, when the appellant made application for registration of quiwam and zarda under the same brand name "Charminar", such prayer for registration was not allowed. The appellant, therefore, made application for rectification of the registration made in favour of the respondent Company so that the said registration is limited only in respect of the articles being manufactured and marketed by the respondent Company, namely, cigarettes. In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no

bona fide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufacturers from getting registration of separate and distinct goods which may also be grouped under the broad classification. If registration has been given generally in respect of all the articles coming under the broad classification and if it is established that the trader or manufacturer who got such registration had not intended to use any other article except the articles being used by such trader or manufacturer, the registration of such trader is liable to be rectified by limiting the ambit of registration and confining such registration to the specific article or articles which really concern the trader or manufacturer enjoying the registration made in his favour. In our view, if rectification in such circumstances is not allowed, the trader or manufacturer by virtue of earlier registration will be permitted to enjoy the mischief of trafficking in trade mark. Looking to the scheme of the registration of trade mark as envisaged in the Trade Marks Act and the Rules framed thereunder, it appears to us that registration of a trade mark cannot be held to be absolute, perpetual and invariable under all circumstances. **Section 12 of the Trade Marks Act prohibits registration of identical or deceptively similar trade marks in respect of goods and description of goods which is identical or deceptively similar to the trade mark already registered. For prohibiting registration under Section 12(1), goods in respect of which subsequent registration is sought for, must be (*i*) in respect of goods or description of goods being same or similar and covered by earlier registration and (*ii*) trade mark claimed for such goods must be same or deceptively similar to the trade mark already registered. It may be noted here that under sub-section (3) of Section 12 of the Trade Marks Act, in an appropriate case of honest concurrent use and/or of other special circumstances, same and deceptively similar trade marks**

may be permitted to another by the Registrar, subject to such conditions as may deem just and proper to the Registrar. It is also to be noted that the expression "goods" and "description of goods" appearing in Section 12(1) of the Trade Marks Act indicate that registration may be made in respect of one or more goods or of all goods conforming a general description. **The Trade Marks Act has noted distinction between description of goods forming a genus and separate and distinctly identifiable goods under the genus in various other sections e.g. goods of same description in Section 46, Sections 12 and 34 and class of goods in Section 18, Rules 12 and 26 read with Fourth Schedule to the Rules framed under the Act.**

48. The "class" mentioned in the Fourth Schedule may subsume or comprise a number of goods or articles which are separately identifiable and vendible and which are not goods of the same description as commonly understood in trade or in common parlance. Manufactured tobacco is a class mentioned in Class 34 of Fourth Schedule of the Rules but within the said class, there are a number of distinctly identifiable goods which are marketed separately and also used differently. In our view, it is not only permissible but it will be only just and proper to register one or more articles under a class or genus if in reality registration only in respect of such articles is intended, by specifically mentioning the names of such articles and by indicating the class under which such article or articles are to be comprised. It is, therefore, permissible to register only cigarette or some other specific products made of "manufactured tobacco" as mentioned in Class 34 of Fourth Schedule of the Rules. In our view, the contention of Mr Vaidyanathan that in view of change in the language of Section 8 of the Trade Marks Act as compared to Section 5 of the Trade Marks Act, 1940, registration of trade mark is to be made only in respect of class or genus and not in respect of articles of different species under the genus is based on incorrect appreciation of Section 8 of the Trade Marks Act and Fourth Schedule of the Rules."

A 31. We may mention that the aforesaid principle of law while interpreting the provisions of Trade and Merchandise Act, 1958 is equally applicable as it is unaffected by the Trade Marks Act, 1999 inasmuch as the main object underlying the said principle is that the proprietor of a trade mark cannot enjoy monopoly over the entire class of goods and, particularly, when he is not using the said trade mark in respect of certain B goods falling under the same class. In this behalf, we may usefully refer to Section 11 of the Act which prohibits the registration of the mark in respect of the similar goods or different goods but the provisions of this Section do not cover the same class of goods.

C 32. The aforesaid discussion leads us to hold that all the ingredients laid down in Section 11(2) of the Act, as explained by the Delhi High Court in ***Nestle India Ltd.***, have not been satisfied. We are not persuaded to hold, on the facts of this case, that the appellant has adopted the trade mark to take unfair advantage of the trade mark of the respondent. We also hold that use of 'NANDHINI' by appellant in respect of its different D goods would not be detrimental to the purported distinctive character or repute of the trade mark of the respondent. It is to be kept in mind that the appellant had adopted the trade mark in respect of items sold in its restaurants way back in the year 1989 which was soon after the respondent had started using the trade mark 'NANDINI'. There is no document or material produced by the respondent to show that by the E year 1989 the respondent had acquired distinctiveness in respect of this trade mark, i.e., within four years of the adoption thereof. It, therefore, appears to be a case of concurrent user of trade mark by the appellant.

33. There is some force in the argument of learned counsel for the appellant that IPAB while passing orders dated 4th October, 2011 F ignored its earlier order, of a Coordinate Bench, passed on 20th April, 2010. Appeal in which order dated 20th April, 2010 was passed was between the same parties on identical issue. The IPAB had dismissed the said appeal of the respondent and that order had attained finality. Prima facie, this would act as an issue of estoppel between the parties G (see the ***Bhanu Kumar Jain vs. Archana Kumar and Anr. [(2005) 1 SCC 787]; Hope Plantations Ltd. vs. Taluk Land Board, Peermade and Another, [(1999) 5 SCC 590)]***. However, as we are holding that the impugned orders of the IPAB and High Court are not sustainable in law and have decided these appeals on merits it is not necessary to make any further comments on the aforesaid aspect.

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34. As a result, the orders of the IPAB and High Court are set aside. These appeals are allowed and the order of the Deputy Registrar granting registration in favour of the appellant is hereby restored, subject to the modification that registration will not be given in respect of those milk and milk products for which the appellant has abandoned its claim, as noted in para 18(vii) above.

35. In the peculiar facts of this case, we refrain ourselves from awarding any costs.

Ankit Gyan Appeals allowed.