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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on :22.02.2024

Pronounced on : 15.03.2024

CORAM : JUSTICE N.SESHASAYEE

W.P.(IPD) No.29 of 2023
WMP.(IPD) No.8 of 2023

Apollo Hospitals Enterprise Ltd.,
Having registered office at :
No.19, Bishop Gardens
Raja Annamalaipuram
Chennai - 600 028.
Rep . by its Authorised Signatory
Mr.Mohan Kumar ... Petitioner

Vs

1.The Deputy Registrar of Trade Marks
Trade Marks Registry
IP Building, GST Road, Guindy
Chennai - 600 032.

2.The Controller General of Patents
Designs & Trade Marks
Intellectual Property Bhavan
Boudhik Sampada Bhavan
Antop Hill, S.M.Road
Mumbai - 400 037.

3.Dr.Paras Jain

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4.Dr.Sangeetha Jain
Partners of Apollo Diagnostic Centre
Both (R3 &R4) Having Office at :
Apollo Tower
Near Express Highway Flyover
Devendra Nagar, Raipur
Chhattisgarh - 492 004. ... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, calling for the records leading to impugned notice/letter dated 30.08.2023 issued under Section 57(4) of the Trade Marks Act, 1999, by the first respondent and quash the same, and pass such further or other orders as this Court may deem fit and proper under the facts and circumstances of the case.

For Petitioner : Mr.P.Giridharan

For Respondents : Mr.R.Sathish Kumar [R2 & R3]

**ORDER**

1. M/s.Apollo Hospitals Enterprises Ltd., has laid C.S.(Comm.Div.) No.644 of 2019 for infringement of its trademarks registered under multiple clauses, all of which has the word 'Apollo', and these marks were registered by the plaintiff sometime in 2007 - 2008. The respondents 3 and 4 have constituted

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themselves into a partnership firm under the name and style of 'Apollo Diagnostic Centre' and it is arrayed as the 5th respondent. The 5th respondent is engaged in the business of pathological lab in Raipur, Chhattisgarh. According to these respondents, this Diagnostic Centre is being run since 1992. It is in this circumstances, the petitioner has laid the aforesaid suit for infringement of trademark. and had also has a benefit of an order of interim injunction restraining the respondents 3 to 5 from using the said mark and that these respondents are also stated to have filed an affidavit of undertaking not to use the word 'Apollo' for its diagnostic centre.

2.1 Be that as it may, the 5th respondent had preferred what may be termed as a complaint dated 10.08.2023 to the Deputy Registrar of Trade Marks, the 1st respondent herein, where in it is believed to have alleged that the plaintiff had obtained registration of its marks by playing fraud on procedure and that the Trade Mark Registry too has compromised certain mandatory procedures while registering the mark of the petitioner.

2.2 Based on the said complaint, the Registrar had issued a notice dated

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30.08.2023 and invited the petitioner (the plaintiff in the suit) to come forward with its explanations. The notice reads: *"... that you have fraudulently obtained the registration of the impugned trade mark by claiming false user and requested to issue notice under Sec.57 (4) of the Trades Marks Act, 1999..... In this regard, you are called upon to file your comments, if any, within 21 days from date of receipt of this communication. If no reply is received within the said period the matter will be proceeded as per Trade Marks Act and Rules framed thereunder."* This notice is under challenge in this petition.

3. Respondents 3 and 4 had filed their counter but not respondents 1 and 2. However, given the nature of challenge to the notice issued under Sec.57(4) of the Act, a counter on facts may not be necessary.

4. The learned counsel for the petitioner argued:

a) Respondents 3 and 4 are admittedly the defendants in C.S. No.644 of 2019 and they also have suffered an interim order of injunction restraining them from using the word 'Apollo' to their diagnostic centre. They, therefore, are qualified to be termed as a '*person*

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*aggrieved*' within the meaning of Sec.57(1) and 57(2) of the Act. Hence, if they, as persons aggrieved, require rectification of the register, then they ought to move the Trade Mark Registry or this court under Sec.57(1) and 57(2), but not under Sec.57(4). In other words, neither the Trade Mark Registry nor this Court can initiate a *suo motu* action, based on any complaint from a person aggrieved.

b) To state it differently, Sec.57(1) & (2) and 57(4) are mutually exclusive. If, however a *'person aggrieved*' is read into Sec.57(4), then it may open a flood gate and allow every defendant in a civil action for infringement of trademark to resort to the use of Sec.57(4) and create uncertainty vis-a-vis the validity of the registration, more so, when the defendants have an opportunity of challenging the validity of the registration even in the very suit. This may lead to chaotic situations more so in cases where the defendant who had either failed to challenge the validity of the registration of the plaintiff's trademark, or having taken but failed to institute a proceeding for rectification in spite of the court framing an issue within the time stipulated under Sec.124 of the Act opts to invoke Sec.57(4) of the Act.

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Reliance was placed on the ratio in ***Whirlpool Corporation Vs Registrar of Trade Marks & Others*** [(1998) 8 SCC 1] and ***Jagajit Industries Ltd., Vs IPAB*** [AIR 2016 SC 478]

5. Responding to the same, the learned counsel for the respondents 3 and 4 (defendants in the suit) submitted that Sec. 57(4) does not stipulate any qualification as to who could prefer a complaint, and when it is not done statutorily the court may not introduce any qualification for those who may alert the Registry of an imminent need to initiate an action under Sec.57(4) by telescoping the qualification fixed for invoking Sec.57(1) or 57(2) into Sec.57(4). In other words, he who may alert the Registrar of Trade marks, or the Court, may be anyone and it includes a '*person aggrieved'* within the meaning of Sec. 57(1) & (2). Expatiating it, the learned counsel submitted that in cases falling under 57(1) or (2) the applicant must provide necessary information to protect his right over the mark in question and may have to establish how he is aggrieved by the registration of opponent's mark. That eventuality may not arise in a case falling under Sec.57(4), where the Registrar or the High Court is vested with the authority to take *suo motu*

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action to preserve the purity of the working of the Trade Marks Act. Reliance was placed on the dictum in ***Ramesh L. Vadodara Vs Assistant Registrar of Trade marks & another*** [(2005) 30 PTC 297 (IPAB)]

6. The learned counsel for the Trademark Registry submitted that the notice now under challenge merely informs the petitioner herein about a complaint received from the respondents 3 and 4, and the petitioner has only been invited give its preliminary response to the compliant to help the Registrar to take a decision as to whether the latter should proceed to take cognizance of the issue raised under Sec.57(4).

7. Replying the learned counsel for the Trade Marks Registry, the learned counsel for the petitioner would submit that Sec. 57(4) does not contemplate any pre-cognizance enquiry before issuing notice of enquiry as in Rule 4 of FEMA Adjudication or in terms of Sec.17A of the Prevention of Corruption Act, and it is hence, this Court may have to interfere even with the present notice.

**Discussion & Decision:**

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8.1 The controversy raised by the petitioner, if it is closely analyzed, essentially involves a question on the *locus standi* of the respondents 3 and 4 to issue a complaint to the Trade Marks Registry, requiring the latter to exercise its *suo motu* power for rectifying its register. According to the petitioner, inasmuch as the respondents 3 and 4 are party-defendants in the civil suit for infringement, and had also given an undertaking to this Court injuncting themselves from using the word 'APPOLO' they will fall within the expression '*persons aggrieved*' within the meaning of Sec.57, and hence no *suo motu* action can be taken by the Registrar under Sec.57(4) on a complaint given by a person aggrieved. This instantly requires an understanding of Sec.57 of the Act. It reads:

> ***"57.Power to cancel or vary registration and to rectify the register:-***
>
> *(1) On application made in the prescribed manner to the High Court or to the Registrar by any person aggrieved, the Registrar or the High Court, as the case may be, may make such order as it may think fit for cancelling or varying the registration of a trade mark on the ground of any contravention, or failure to observe a condition entered on the register in relation thereto.*
>
> *(2) Any persons aggrieved by the absence or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the*

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*register , may apply in the prescribed manner to the High Court or to the Registrar, and the Registrar or the High Court, as the case may be, may make such order for making, expunging or varying the entry as it may think fit.*

*(3) The Registrar or the High Court, as the case may be, may in any proceeding under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.*

*(4) The Registrar or the High Court, as the case may be, of its own motion, may, after giving notice in the prescribed manner to the parties concerned and after giving them an opportunity of being heard, make any order referred to in sub-section (1) or sub-section (2).*

*(5) Any order of the High Court rectifying the register shall direct that notice of the rectification shall be served upon the Registrar in the prescribed manner who shall upon receipt of such notice rectify the register accordingly."*

If Sec.57(4) is read alongside Secs.57(1) and 57(2), it will be instantly evident that the phrase '*person aggrieved*' which the legislature has consciously employed there, is conspicuously absent in Sec.57(4). The distinction between Secs.57(1) and 57(2) on the one hand, and Sec.57(4) on the other is that the former two provisions grant the *person aggrieved* a personal right of action to go after a registered trademark, which need not necessarily aim to secure and protect the purity of the register. And, since

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the legislature intended to grant a personal right of action for seeking rectification of the register, it chose to qualify those who can maintain any such action, and hence, the phrase '*person aggrieved*' in Sec.57(1) and (2) must be contextually understood. In a *suo motu* action contemplated under Sec.57(4), the legislature does not intend to equate the Registrar or the High Court, as the case may be, with a '*person aggrieved*', for it was intended not to remedy a personal cause of a *person aggrieved,* but to preserve the purity of the register.

8.2 It can now be derived or deduced that for initiating a *suo motu* action, the Trade Mark Registry needs some *prima facie* information for initiating the action. This information it can obtain from any source. To state it differently, the Registrar or the High Court, as the case may be, is, and should be, concerned only with the quality of the information necessary to initiate a *suo motu* action, and not with the source of such information. Indeed, Sec.57(4) nowhere qualifies the source from which the Registrar of Trade Mark can obtain or gather information for exercising the power to initiate the *suo motu* action for rectification of the register. And this precisely is the reason why the legislature did not feel it necessary to keep

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away a *person aggrieved* from providing an information. After all, if the objective behind Sec.57(4) is to secure the purity of the register, then it will be incongruent for him to limit, or to qualify the sources of information which the Registrar may consider useful for exercising the *suo-motu* power under Sec.57(4).

9. When the Registrar obtains any information, he/she is first required not to equate it to a complaint, but must treat it only as an information, no matter how it is described by the one who provides the information. It is then required to evaluate or scrutinize the information so received and ascertain if the information received *prima facie* discloses a need for initiating an action for rectification of the register with the solitary purpose of preserving the purity of the register. What it in effect implies is that the Registrar must first filter the information received to ensure that the appeal for initiating a *suo motu* action is not a camouflage to conceal the private interests of the person or entity who provides the information. In that sense the evaluation process of the merit of the information is similar to the one employed for testing the intent behind a purported public interest litigation. To state it differently, the Registrar is required to apply its mind to the

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information received and must ascertain whether the same can provide a cause of action for a private action for rectification under Sec.57(1) or (2). If the answer is in the affirmative, then the Registrar must step back and may refrain from exercising its *suo motu* power under Sec.57(4). If however, it senses a case where, but for it exercising its *suo motu* power to rectify its register the purity of the register will be in peril, then it must step in. It needs to be underscored that a proceeding under Sec.57(4) is not an adversarial proceeding as in Sec.57(1) and 57(2).

10. This will now conclude the core issue raised by the petitioner. This Court holds that for preserving the sanctity and purity of the register, it is perfectly appropriate for the Registrar or the High Court, as the case may be, to receive information from any source, which, as stated earlier, includes those who may be termed as '*person aggrieved*' within the meaning of Sec.57(1) and (2) of the Act. It may be added here that in most circumstances, it will be the *person aggrieved* who may come to know about certain aspects of registration of a mark that sullies the purity of registration and the register, and hence he would be the one who will be ideally positioned to provide the information. Therefore, as long as there is

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a *bonafide* intent to preserve the purity of registration and the register, the fact that the information-provider is also a '*person aggrieved*' cannot be held against him. That will be counter productive for accomplishing the legislative purpose contemplated under Sec.57(4).

11.1 So far as the impugned notice is concerned, this Court finds that there is merit in the submissions of the counsel for the petitioner and holds that Sec.57(4) does not contemplate a pre-cognizance enquiry on the information which the Registrar receives, something he has now attempted. All he is required to do is to evaluate the information provided to him by the 5th respondent in the light of what is herein above stated, and may necessarily have to hold an inquiry only if a decision is taken to exercise the *suo motu* power under Sec.57(4) of the Act, but not otherwise.

11.2 Turning to the ratio in the *Whirlpool case,* it was set to a different factual scenario. There the appellant before the Supreme Court had already filed a civil suit and also a petition for rectification and it is in that circumstance the Court has directed the Registrar not to exercise its powers under Sec.57(4). And, whether a defendant in a suit for infringement can

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provide information to the Registrar for the latter to initiate an action Sec.57(4) of the Act was not an issue before the Court. Nor the Supreme Court was invited to pronounce on the approach which a Registrar shall have vis-a-vis the powers under Sec.57(4) of the Act, something which this court was called upon to do in this case.

12. This Court therefore, directs the first respondent to withdraw its notice dated 30.08.2023 and further directs to retain the complaint or information which he had received from the 5th respondent, apply his mind to it, and ascertain if it provides any critical information which may warrant the exercise of his *suo motu* powers under Sec.57(4) of the Act, and then to contemplate on holding an inquiry on it. This petition is accordingly disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

15.03.2024

Index : Yes / No
Speaking order / Non-speaking order
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To:

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N.SESHASAYEE.J.,

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Pre-delivery order in
W.P.(IPD) No.29 of 2023

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