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A.Nos. 2890 & 2892 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 02.08.2023

Delivered on : 07.09.2023

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

A.Nos. 2890 & 2892 of 2023

&

O.A.Nos. 183 & 184 of 2023

in

C.S.(Comm Div). No. 54 of 2023

Appolo Burn Hospital
Kumhrar (near Mazar),
Kankarbagh Road,
Patna
Bihar.

...Applicant in A.Nos. 2890 & 2892 of 2023

...Respondent in O.A.Nos. 183 & 184 of 2023

Vs

Apollo Hospitals Enterprises Ltd.,
No.19, Bishop Gardens,
Raja Annamalaipuram,
Chennai – 600 028.

...Respondent in A.Nos. 2890 & 2892 of 2023

...Applicant in O.A.Nos. 183 & 184 of 2023



A.Nos. 2890 & 2892 of 2023

Prayers in A.Nos.2890 & 2892 of 2023: Judges summons is filed under Order XIV and Rule 8 of O.S. Rule read with Clause 14 of the Letters Patent Act, to vacate the order of injunction dated 13.03.2023 granted in O.A.Nos. 183 & 184 of 2023 in C.S.(Comm Div). No. 54 of 2023.

Prayers in O.A.Nos.183 & 184 of 2023: Judges summons is filed under Order XIV and Rule 8 of O.S. Rule read with Order XXXIX Rules 1 and 2 of CPC for an Interim Injunction restraining, the Respondent/Defendant, its proprietor/directors/partners, officers, dealers, distributors, successors-in-business, servants, agents, employees, representatives and all other persons claiming through or under them from in any manner from passing off and/or enabling others to pass off / infringing the registered trademarks of the Applicant/Plaintiff trademarks APOLLO, APOLLO HOSPITALS, APOLLO DIAGNOSTICS and APOLLO CLINIC and its variants by using the Appollo Burn Hospital and/or any other mark identical and/or deceptively similar mark in any other manner whatsoever pending



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A.Nos. 2890 & 2892 of 2023

**For Applicant : Mr. Rajesh Ramanathan
(A.Nos. 2890 & 2892 of 2023)**

(Respondent in O.A.Nos. 183 & 184 of 2023)

**For Respondent : Mr. P.Giridharan
(A.Nos. 2890 & 2892 of 2023)**

(Applicant in O.A.Nos. 183 & 184 of 2023)

ORDER

The suit has been filed by the respondent who owns and operates the now reputed Apollo Hospitals group of medical establishments, challenging the infringement of their mark by the applicant herein. The respondent has sought for the following main reliefs in the instant suit.

“a. Declare the ‘Apollo’ Mark as WELL-KNOWN Trade Mark under Section 2 (1) (zg) read with Section 11 of the Trade Marks Act, 1999 and issue consequently directions to appropriate authorities;

b. Permanent injunction restraining the Defendant, its proprietor/directors/partners officers,



dealers, distributors, successors-in-business, servants, agents, employees, representatives and all others persons claiming through or under them from in any manner from infringing the registered trademarks of the Plaintiff including “Apollo” “Apollo Hospitals” “Apollo Diagnostics” and “Apollo Clinic” and its variants by using the “Appolo Burn Hospital” and/or any other mark identical and/or deceptively similar mark in any other manner whatsoever

c. Permanent injunction restraining the Defendant, its proprietor/directors/partners, officers, dealers, distributors, successors-in-business, servants, agents, employees, representatives and all other persons claiming through or under them from in any manner from passing off and/or enabling others to pass off the Plaintiffs trademarks “Apollo” “Apollo Hospitals” “Apollo Diagnostics” and “Apollo Clinic” and its variants by using the “Appolo Burn Hospital” and/or any other mark identical and/or deceptively similar mark in any other manner whatsoever

d. Permanent injunction restraining the Defendants its proprietor/directors/partners and



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A.Nos. 2890 & 2892 of 2023

officers, dealers, distributors successors-in-business, servants, agents, employees, representatives and all others persons claiming through or under them from in any manner from diluting the distinctive character of Plaintiff's trademarks "Apollo" "Apollo Hospitals" "Apollo Diagnostics" and "Apollo Clinic" and its variants or indulging in any activity which takes unfair advantage of Plaintiffs goodwill and reputation in Plaintiff's registered trademarks or by any activity amounting to unfair trade practice

e. The Defendant be ordered to surrender to the Plaintiff for destruction all labels, cartons, containers, packaging materials, blocks, dyes, prints, screen prints, notices, pamphlets, advertisements, hoardings, and other promotional materials bearing the "Appolo Burn Hospital" mark which is identical to the Plaintiff's registered trademark "Apollo" "Apollo Hospitals" "Apollo Diagnostics" and "Apollo Clinic" and its variants;

f. Pass a Preliminary decree in favour of the Plaintiff directing the Defendant for rendition of their accounts of sales and profits of the impugned goods



sold by the Defendants under the impugned mark “Appolo Burn Hospital” and a final decree be passed in favour of the Plaintiff for the amount of profit found to have been made by the Defendant after such accounts are rendered;

g. Defendant be ordered and decreed to pay the Plaintiff a sum of Rs.10,00,000/- punitive and compensatory damages for committing acts of infringement of trademark and passing off or such other sum as may be found due and payable by this Hon’ble Court after an account of the profits made by the Defendants is rendered.

2. The parties are referred to in the same ranking as in the vacate injunction applications where the defendant is the applicant and the plaintiff the respondent.

3. Along with the suit, the respondent had filed O.A.Nos.183 and 184 of 2023 seeking interim orders restraining the applicant from infringing the registered trademark of the respondent and from



A.Nos. 2890 & 2892 of 2023

passing off and / or enabling others to pass off the respondent's trademark by using the mark Appolo Burn Hospital and or any other mark identical and deceptively similar to the above mark. It is these interim orders that are sought to be vacated by the applicant who has filed A.Nos.2890 and 2892 of 2023.

4. The facts contained in the plaint has been more or less set out in the affidavit filed in support of these applications. The contents of the counter and the affidavit filed in support of the vacate stay application are more or less identical and sets out the applicant's case in answer to the respondent's claim.

5. It is the case of the respondent that the respondent's company was established on 05.12.1979 by Dr.Prathap C.Reddy recipient of the prestigious Padma Vibhushan award. It is their case that Dr.Reddy who was an established Doctor with a flourishing practice in Boston, USA had given up the same and returned to India in the



A.Nos. 2890 & 2892 of 2023

year 1971 to establish his medical practice. The respondent's flagship Hospital called Apollo Hospital at Chennai was started with just 150 beds and was inaugurated by the then President of India, Shri Giani Zail Zingh.

6. The respondent would submit that over the decades the respondent has grown by leaps and bounds and today its name is synonymous with health care. The Group has 10000 beds spread across 71 Hospitals, over 5000 Pharmacies, 2257 primary care and diagnostic clinics, which ranges from sugar and dental clinics, birthing, day care and dialysis centre, more than 800 Telemedicine, Tele-Radiology, Tele Cardiology across various countries. They also run 5 academic institutions, a medical research foundation. The respondent's Hospital has contributed a great deal to the development of medical care in India.



A.Nos. 2890 & 2892 of 2023

WEB COPY

7. The respondent has set up Hospitals all over India. Apart from the Hospital at Tamil Nadu, they had also operate from Andhra Pradesh, Karnataka, Chhattisgarh, Odisha, Gujarat, West Bengal, Delhi to name but a few. They also run several Hospitals in the neighboring countries of Sri Lanka, Bangladesh, Ghana, Nigeria, Mauritius, Qatar, Kuwait and Oman. The Apollo Group provides employment for over 70,000 persons, including Doctors, Nurses and Paramedics.

8. The respondent would submit that considering their growing popularity and by reason of their Hospital being the first in several innovative surgeries, they had registered their various trademarks and trade names with the Trademark Registry with the profile Apollo under various Classes between the years 2007 – 2020.



A.Nos. 2890 & 2892 of 2023

9. It is also the contention of the respondent that not only is its founder a Padma Vibhushan awardee but the other Doctors practicing in the respondent Hospital are also recipients of various awards like Padma Bhushan, Padmashree, Dr.B.C.Roy award etc., The respondent in their plaint has set out the various awards that the Hospital has obtained from the various Non-Governmental as also the Government Departments recognising the high quality service being rendered by them. The respondent would submit that on account of their growth, substantial amount is allocated towards advertisement.

10. While so, the respondent had received an e-mail from one of the patients of the applicant, Appolo Burn Hospital on 30.08.2022. From a reading of the said mail, the respondent learned about the applicant's Hospital and the manner in which they have dishonestly and deceptively adopted the respondent's mark “Apollo” purely with an intent of confusing the public and also to take advantage of the name built by the respondent.



A.Nos. 2890 & 2892 of 2023

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11. The respondent would contend that dishonesty is writ large by reason of the fact that in the name, the applicant has removed one “L” and added “P” to read as “APPOLO BURN HOSPITAL” thereby giving an impression of the name being different. The respondent had immediately issued a cease and desist notice dated 21.09.2022 calling upon the applicant to stop using the mark Appolo Burn Hospital and recall and destroy all the goods, promotional materials, letter heads etc., exhibiting the name “Appolo Burn Hospital”. To this, the applicant had sent a reply dated 30.09.2022 denying the similarity, but they had however not provided the documents to substantiate the same. Therefore, the respondent who apprehends that their reputation would be seriously compromised if the applicant continues to use the trademark of the respondent has instituted the instant suit and on 13.03.2023, the respondent had obtained order of interim injunction.



A.Nos. 2890 & 2892 of 2023

WEB COPY 12. On entering appearance, the applicant herein has filed their written statement as also the applications to vacate the interim orders granted earlier. In the affidavit filed in support of the said applications, the applicant would submit that the very suit has been filed only with an intent to harming the applicant's business. The applicant would submit that they had started the Hospital in the year 1992 in the 2nd floor of an existing Orthopedic Nursing Home at Chauhatta, Patna, where the applicant Hospital was functioning for over 9 years. In July 2001, the applicant had shifted their Hospital to their own premises at Kumhrar Road, Patna.

13.The deponent of the affidavit, Dr.Kamod Narayan Tiwary would state that the Hospital was started by him as he was a Master of Chirurgiae (MCh) in the field of Plastic and Re-Constructive Surgery. The deponent would set out his specialty and how he has built up his practice by succeeding in curing patients given up by others by



A.Nos. 2890 & 2892 of 2023

undertaking plastic surgery on such persons. It is his case that despite opposition, he had set up a Burn unit with modest amenities in the year 1992 in the rental premises. He had also set out the reason for adopting the name “Appolo” being an acronym of his father-in-law's name and his teachings.

14. It is the case of the applicant that the applicant company was incorporated in the year 1996 under the name of Bihar Burn and Trauma Research Center Pvt. Ltd.,. There are two other centres functioning one at Darbhanga, Bihar and Bilaspur, Chatisgarh, apart from the applicant company. These institutions were named as BTRC or Burn Hospital and they have not adopted the name Appolo.

15. It is the case of the applicant that on account of their Hospital functioning for over 3 decades and having treated more than 11000 patients to date, the name has become etched in the hearts and minds of the public as the place to go for burn victims. It is also the



A.Nos. 2890 & 2892 of 2023

case of the deponent that both he and the institution has been conferred with awards and accolades by various prestigious organizations across the Country. He is the member of the Indian Medical Association, National Association of Burns in India and Association of Plastic Surgeons in India.

16. It is the contention of the applicant that Burn injuries requires a specialised health care professional and the number of burn centres treating burn victims are low in our Country. These centres face lot of challenges as it involves critical management and rehabilitation. The applicant by his expertise and dedication has succeeded in carving out a distinctive place amongst the Hospitals treating burn injuries. It is also the contention of the applicant that his patients are primarily from economically weaker section of the society, women and children. Therefore, the applicant has established itself by providing medical care to burn victims for nearly 31 years. They were therefore shocked and surprise to receive the legal notice



A.Nos. 2890 & 2892 of 2023

dated 21.09.2022 from the respondent alleging that they had infringed into the respondent's mark.

17. The applicant would state that the respondent had suppressed the fact that they are fully aware about the applicant's Hospital, since the respondent is running two Hospitals in the very same locality as that of the applicant for over 12 years. It is their case that till 2010, Apollo Hospital had not established any Clinic or Hospital in the entire state of Bihar and it was only in the year 2011 that they had entered Bihar under their Sub brand “Apollo Clinic”. They had set up their clinic in the place, Kankar Bagh, Patna, which is literally a stones throw from the applicant's Hospital. In 2014, in partnership with the BIG Hospital, Patna the respondent had inaugurated Big Apollo Spectra Hospitals, which is also in the same locality. Having known about the functioning of the applicant's Hospital for over 12 years and having kept quite for all these years, the respondent cannot be permitted to now demand that the applicant



A.Nos. 2890 & 2892 of 2023

should be enjoined from using the mark Appolo Burn Hospital, which mark they have been using continuously since 1992. The applicant had also pleaded an inordinate delay in filing the suit.

18. It is the case of the applicant that they are not a fly-by-night operator but an established institution. They would also contend that having kept quite all these years and allowing the applicant to expend huge sums on building up its good will and mark, the respondent cannot now turn around and question the usage of the name “Appolo” by the applicant, more particularly when they have knowledge of the applicant running their Hospital for a very long time i.e., for over 12 years.

19. The applicant has sought to have the interim order vacated on the following grounds :

(a) The respondent has come to the Court belatedly.



A.Nos. 2890 & 2892 of 2023

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(b) By their inaction the respondent have permitted the applicant to spend considerable amount of money for advertisements and improving infrastructures of the Hospital (Acquiescence)

(c) No cause of action has been set out.

(d) The respondent have come to the Court with unclean hands.

(e) Balance of convenience is in favour of the applicant, who has been using the mark Appolo Burn Hospital for over 20 years without any objection.

20. Mr. P.Giridharan appearing on behalf of the respondent would submit that the respondent has been carrying on the business of medical services since 27.12.1979 and a perusal of the annual report for the year 2021 – 2022 would clearly demonstrate how the respondent Hospital has excelled not only within the country but also outside the country. He would take the Court through the trademark



A.Nos. 2890 & 2892 of 2023

registrations which has been issued in respect of the various trademarks of the respondent's Hospital and would highlight the fact that a perusal of the certificates would clearly indicate that the said word was being used since 01.01.1979. The learned counsel would submit that the respondent had come into knowledge about the use of the name by the applicant by virtue of an e-mail dated 29.08.2022. A copy of which was received at the e-mail addresses info@apolloHospitals.com and krishnan_sm@apollohospitals.com, wherein, the signatory to the letter had stated that his daughter had been admitted in the Appolo Burn Hospital, Patna, where the Hospital does not have facility of cashless payment and also that he has been following up this complaint regularly. It is only when this e-mail had been received that the respondent had come to know about the functioning of the applicant's Hospital in the same name as that of the respondent. He would draw the attention of the Court to the picture showing the applicant Hospital and contended that a mere perusal of the above would show adoption of the respondent's mark by the



A.Nos. 2890 & 2892 of 2023

applicant. The respondent's counsel would submit that the respondent has been a vigilant litigant and the minute they have come to know about the applicant's Hospital they have approached the Court.

21. The learned counsel would rely upon the Judgement reported in **2010 (6) ALT 466 – Yashoda Super Speciality Hospitals Vs. Yashoda Medicare and Research Centre (P) Ltd. and others** and **2023/DHC/003799 - Mayo Foundation for Medical Education and Research Vs. Bodhisatva Charitable Trust and others**, to put across the contention that two Hospitals in the same name cannot co-exist.

22. The learned counsel would also submit that the adoption of the name by the applicant is dishonest and they had attempted to cash in on the good will that the respondent had earned over a period of time. He would further submit that the trademark of the respondent is not restricted to any geographical limits. Further, the applicant has not given any details about his growth and that he is a reputed



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hospital and that the grant of an injunction would cause irreparable loss and hardship to him.

23. The learned counsel would rely upon the provisions of Section 29 (4) of the Trademarks Act, 1999 to submit that nowhere it is stated that the person whose trademark has been infringed has to come to the Court within a particular period. As regards a plea of Acquiescence and delay, which has been taken out by the applicant in their counter and affidavit filed in support of the vacate injunction application, it is the contention of the learned counsel for the respondent that the applicant has not proved their growth and that the respondent was aware about the same. In support of these submissions, the learned counsel for the respondent would rely on the Judgement reported in *2005 (31) PTC 502 (Mad) – Gangotree Sweets and Snacks Pvt. Ltd., Vs. Shree Gangotree Sweets, Snacks and Savouries*, with particular reference to paragraph nos.23, 24 and 29.



A.Nos. 2890 & 2892 of 2023

WEB COPY 24. The learned counsel would further highlight the various awards and accolades that the respondent's Hospital had achieved and it is also his case that similar growth has not been achieved by the applicant.

25. Per contra, Mr.Rajesh Ramanathan, appearing on behalf of the applicant would submit that the respondent has been running the hospital, Appolo Burn Hospital ever since 1992. He would submit that the respondent had knowledge about the existence of the applicant Hospital even as early as in the year 2009 when the respondent had set up Hospitals at Patna, a stones throw away from the applicant's Hospital.

26. The learned counsel would submit that in the year 1992, when the applicant had adopted the name Appolo Burn Hospital, the respondent was not that well known and further the respondent has



A.Nos. 2890 & 2892 of 2023

submitted the word mark for registration only in the year 2007.

Therefore, there cannot be a case of infringement of mark that was not registered as contended by the respondent. He would submit that the applicant's hospital had started in the year 1992 catering to burn victims. The hospital has earned a name and has extensive clientèle (patients). Without prejudice to his contention the counsel would also plead delay, laches and Acquiescence. It is his contention that after coming to know about the applicant Hospital, the respondent has waited till 2023 to move this suit pleading infringement. The learned counsel would rely on the following Judgements:

1. ***AIR 1963 SC 449*** – Amritdhara Pharmacy Vs. Satya Deo Gupta.

2. ***2019 SCC OnLine Mad 38987*** – Technova Tapes (India) Pvt. Ltd., Vs. TechNova Imaging Systems (P) Limited, represented by its Commercial Manager.

3. ***2009-1-LW 472*** – Khoday India Ltd., Vs. Scotch Whisky Association.



A.Nos. 2890 & 2892 of 2023

4.AIR 1978 DEL 250 – Century Traders Vs. Roshan Lal

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The learned counsel would therefore submit that the respondent has not made out a prima facie case for a grant of ad interim injunction and the injunction granted has to be necessarily vacated.

Discussion:

27. From the arguments advanced by counsels on either side the following two main factors have to be considered for disposing of these interim applications:

(a). Firstly, in order to plead and establish infringement, the respondent should prove that on the date when the applicant had commenced its business the respondent had registered its trademark and that the respondent had reached such a position that its name had become synonymous with the health care and the



A.Nos. 2890 & 2892 of 2023

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applicant by running the Hospital in the name and style of Appolo Burn Hospital has infringed the respondent's trade mark and has passed off his Hospital as that of the respondent's.

(b) The second point is Acquiescence i.e., despite knowing the fact that the applicant is running a Hospital in the name of Appolo Burn Hospital, the respondent has not taken immediate steps to file the suit to prevent the infringement / passing off.

(c) An issue which is the off shoot of the above issues is whether the appellant had acted malafide in adopting the name Appollo?

28. Before briefly touching upon the facts and thereafter the Judgements, reference to certain provisions of the Trademark Act, 1999, herein after called the Act would have a bearing on the issue on hand.



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A.Nos. 2890 & 2892 of 2023

29. Section 2 (zb) of the Act defines Trademark as follows:

“(zb) “trade mark” means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and—

(i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and

(ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so to indicate a connection in the course of trade between the goods or



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services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;”

30. Section 2 (zg) defines “Well – known trade mark” as follows:

““well-known trade mark”, in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.”



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31. Section 18 deals with the application for registration of trademark and Section 23 provides for the registration of the trademark. Section 23 (1) (a) provides that the trademark shall be deemed to have been registered on the date of making of the application, subject to the provisions of Section 154.

32. Section 29 deals with various circumstances in which a registered trademark is stated to have been infringed. Section 33 talks about Acquiescence by a proprietor of trademark to the using of similar trademark by another. Section 27 provides that where there is an infringement of an unregistered trademark, the person whose mark is infringed cannot institute any proceedings to prevent infringement or recover damages. However, Sub Section 2 of Section 27 provides that this provision is not available in the case of the proprietor of trademark pleading passing off. Since this Court is considering only a prima facie case for granting orders of injunction, this Court is not going into a roving enquiry in the pleadings and documents.



A.Nos. 2890 & 2892 of 2023

WEB COPY 33. The 1st grievance of the respondent is that by adopting the respondent's mark, the applicant has infringed the respondent's mark and is passing off his Hospital as that of the respondent by adopting the name “APPOLO”. From the pleadings what emerges is that the respondent had commenced its business on 05.12.1979 as evidenced by the Certificate of Incorporation given by the Registrar of Companies, Tamil Nadu to Apollo Hospitals Enterprise Limited. Though the respondent had incorporated itself as a company in the year 1979, they have for the first time applied for registration of its trade name Apollo Hospitals on 06.07.2007. The Apollo logo, word mark Apollo, the device Apollo Hospitals under Class 42 and 5 were made on 06.07.2007 and was registered on 10.03.2009 and 11.02.2009. Under Class 5 and Class 16, the word mark and the device mark Apollo Hospitals have been submitted for registration on 08.04.2009 and 15.04.2010 for the remaining.



A.Nos. 2890 & 2892 of 2023

34. Similarly, the device Apollo Specialty Hospitals under Classes 5, 10, 16, 35 and 44 have been filed only on 18.03.2020 and the certificate has been issued on 30.11.2020. The Registration Certificate clearly describes under the heading, Used Since - as *“Proposed to be used”*.

35. Thereafter, the device Apollo Clinic under Classes 16 and 5 have been submitted for registration only on 08.10.2001. Once again it has been stated that the mark is *“Proposed to be used”*.

36. The respondent has obtained several registrations in respect of several other marks but a perusal of the documents would clearly indicate that the first application has been made only in the year 2007. In this certificate, it is stated that the mark is being used from 01.01.1979. This claim that the trademark is being used since 01.01.1979 is rather strange particularly when the company has itself been incorporated only in the month of December 1979. Therefore,



A.Nos. 2890 & 2892 of 2023

there appears to be an incorrect statement that has been provided while submitting the application for registration. The fact that a company which had been incorporated in the year 1979 chooses to have its trade mark registered in the year 2007 would only go to show that it is only around that time that the respondent's trademark had gained popularity.

37. Further, even the documents that have been filed by the respondent would show that the respondent had taken baby steps only in the year 1983. The annual report for the year 2021 which is filed as their third document, which contains the message of the Executive Chairman sets out that for 40 years they have been in the business of health care which clearly confirms that the start of business can be traced to the year 1983. Had the respondent reached its present growth in the year 1992 (the year in which the applicant 's Hospital was set up) the respondent's trademark would have been registered by then. The fact that the respondent has deemed it fit to submit its



A.Nos. 2890 & 2892 of 2023

application for registration in the year 2007 would only go to show that the growth of the respondent to its present stature had started only around the said period. Therefore, when the applicant had commenced its business, the respondent was not this well known and its trademark had not been registered.

38.The applicant's case is that he had set up the Hospital called Appolo Burn Hospital in April 1992. The applicant would submit that from April 1992 till July 2001, the Hospital was functioning in the 2nd floor of the existing Orthopedic Nursing Home, belonging to the applicant at Chauhatta, Patna from where, in July 2001 the applicant had shifted to its present premises at Kumhrar Road, Patna. Therefore, the applicant Hospital had been set up and was functional much prior to the respondent's trademark being registered and the respondent having earned a big name for itself both nationally as well as internationally. That apart, the applicant in his own way has carved a niche for himself in treating burn victims. Another factor



A.Nos. 2890 & 2892 of 2023

that has to be borne in mind is that the applicant is only dealing with burn victims, within the City of Patna, unlike the respondent who has varied area of specialisation. Therefore, *prima facie* it cannot be said that there is an infringement of trademarks.

39. In order to constitute infringement the respondent has to also prove that the adoption of its mark by the applicant is mala fide and that the applicant is trying to cash in on the respondent's name. As discussed in the foregoing paragraphs when the applicant had named his Hospital as APPOLO BURN HOSPITAL, the respondent had not reached the growth it now has and the mark “Apollo” was not even registered. Therefore, *prima facie* the adoption of the word “APPOLO” by the applicant appears to be bonafide. Therefore, in order to institute a suit for infringement, the respondent's trademark has to be first registered and this registered mark should be infringed. Admittedly, in the instant case, the application for registration has been filed only in the year 2007 and the registration has been obtained



A.Nos. 2890 & 2892 of 2023

in the year 2009. However, considering the provisions of Section 23

(1) (a) of the Act, the respondent's trademark is deemed to have been registered in the year 2007. Therefore, on the date on which the applicant had set up its hospital, the respondent did not have its trademark registered. Therefore, the question of infringement does not arise. Under Section 29, a registered trademark is said to be infringed when a person not being a registered proprietor or owner has used the mark which is identical or deceptively similar to the registered trademark. In the instant case, the applicant had set up its Hospital in the year 1992, much before the registration of the respondent's trademark.

40. A contention is raised that the applicant is guilty of passing off. Even this argument cannot be countenanced for the simple reason that the respondent has not pleaded that as on the date when the Applicant had set up his Hospital, the respondent had carved a niche for itself and was so well known, that the adoption of the word



A.Nos. 2890 & 2892 of 2023

“Appolo” in the applicant's Hospital's name was an attempt to ride on the respondent's name and fame.

41. The next contention to be considered is the question of acquiescence. The applicant's Hospital is just a stones throw away from the respondent's three Hospitals. The respondent had set up these Hospitals in and around the years 2009 – 2011 at Patna and therefore there is a presumption that they had knowledge about the functioning of the applicant's Hospital since 2009. By not initiating any legal proceedings against the applicant the respondent has acquiesced to their usage of the name Appolo Burn Hospital.

42. The learned counsel for the respondent would submit that the applicant has not proved the fact that the respondent had knowledge about the existence of the applicant Hospital earlier. However, from a perusal of a print out of Google Earth submitted by the applicant (which has not been objected to by the respondent), it is



A.Nos. 2890 & 2892 of 2023

clearly evident that three Hospitals of the respondent are situate just a few kilometers away from the applicant's Hospital and being in the same sphere of service, the respondent cannot contend that they have not come across the applicant's Hospital.

43. The respondent had set up its first Hospital in Bihar in the year 2009 and three Hospitals have been set up by 2011. Therefore, the applicant has prima facie discharged his onus of proof about the knowledge of the existence of their Hospital by the respondent.

44. The cause of action which according to the respondent has catapulted them to approach this Court is an alleged e-mail which was sent by the applicant's patient which had fallen into the e-mail address of the respondent. The veracity of this e-mail has to be definitely be tested during Trial. Suffice it to state that when the respondent had opened three Hospitals in and around the applicant's Hospital that too between the years 2009 to 2011, their contention that they had come



A.Nos. 2890 & 2892 of 2023

to know about the existence of the applicant's Hospital only in the year 2023 before the filing of the suit appears to be farfetched. The respondent has not been able to set out the reasons as to why they have approached this Court belatedly.

45. Having discussed the facts of this case it is necessary to consider the judgments relevant to the issue on hand. In the judgement of the Hon'ble Supreme Court reported in **1963 (2) SCR 484 – Amritdhara Pharmacy Vs. Satya Deo Gupta**, the Hon'ble Supreme Court was considering the objection to the trademark “Lakshmandrara” by the respondent on the ground that the appellant therein was using the name “Amritdhara” from the year 1901, whereas “Lakshmandrara” was being used from the year 1923. The defense taken was that there has been no objection to the usage of the word “Lakshmandrara” for all these years and therefore the appellant had acquiesced to the usage. Ultimately, the Hon'ble Supreme Court had discussed the issue of acquiescence in paragraph no.13 of the said



judgement, wherein they had stated as follows:

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“We now go to the second question, that of acquiescence. Here again we are in agreement with the Registrar of Trade Marks, who in a paragraph of his order quoted earlier in this judgment has summarised the facts and circumstances on which the plea of acquiescence was based. The matter has been put thus in Halsbury's Laws of England, Vol. 32 (second edition) pages 656-657, paragraph 966.

" If a trader allows another person who is acting in good faith to build up a reputation under a trade name or mark to which he has rights, he may lose his right to complain, and may even be debarred from himself using such name or work. But even long user by another, if fraudulent, does not affect the plaintiff's right to a final injunction; on the other hand prompt warning or action



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A.Nos. 2890 & 2892 of 2023

before. the defendant has built up any good- will may materially assist the plaintiff's case".

We do not think that there was any fraudulent user by the respondent of his trade name 'Lakshmandhara'. The name was first used in 1923 in a small way in Uttar Pradesh. Later it was more extensively used and in the same journals the two trade marks were publicised. The finding of the Registrar is that the appellant and its agent were well aware of the advertisements of the respondent, and the appellant stood by and allowed the respondent to develop his business till it grew from a small beginning in 1923 to an annual turnover of Rs. 43,000/- in 1949. These circumstances establish the plea of acquiescence and bring the case within sub-s. (2) of [s. 10](#), and in view of the admission made on behalf of the respondent that his goods were sold mainly in Uttar



A.Nos. 2890 & 2892 of 2023

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Pradesh, the Registrar was right in imposing the limitation which he imposed.”

46. In another judgement reported in **2009-1-LW 472 – Khoday India Limited Vs. Scotch Whisky Association**, the issue was whether the name “Peter” amounts to a passing off of the respondent's trademark. The learned Judges after considering the facts and the Judgements on this issue discussed the plea of acquiescence in paragraph 20 as follows:

“Acquiescence is sitting by, when another is invading the rights and spending money on it. It is a course of conduct inconsistent with the claim for exclusive rights in a trade mark, trade name etc. It implies positive acts; not merely silence or inaction such as is involved in laches. In Harcourt v. White Sr. John Romilly said: It is important to distinguish mere negligence and acquiescence. Therefore, acquiescence is one facet of delay. If the plaintiff stood by knowingly and



A.Nos. 2890 & 2892 of 2023

let the defendants build up an important trade until it had become necessary to crush it, then the plaintiffs would be stopped by their acquiescence.”

47. As already submitted, in the instant case even as early as in the year 2009, the respondent had set up a Hospital close to the Hospital of the applicant and therefore knowledge can be imputed on the respondent. Further, the applicant had bonafidely and with an honest intention adopted the name Appolo Burn Hospital in the year 1992 itself.

48. In the Judgement reported in **1994 (2) SCC 448 – Power Control Appliances and others Vs. Sumeet Machines Pvt. Ltd.**, the learned Judges had referred to the Judgement of the English Court reported in **(1923) 40 RPC 130 – Codes Vs. Addis and Son**, where the learned Judge had referred to acquiescence as adopting a sort of Rip Van Winkle Policy. In the instant case, the respondent having adopted this policy cannot seek an injunction against the applicant



A.Nos. 2890 & 2892 of 2023

particularly when the applicant out of their own merit has grown to the extent that they now are.

49. In the judgement quoted by the respondent reported in **2019 (80) PTC 275 (Del) – Max Healthcare Institute Ltd., Vs. Sahrudya Health Care Pvt. Ltd.**, was a case where the defendant who had set up his Hospital originally in the name and style of Sunshine Super Specialty Institute in the year 2015 changed its name to MAXCURE, which by then was already a registered trademark of the plaintiff's therein. However, the facts of that case would not apply to the instant case since in the instant case the respondent's trademark itself had been registered only in the year 2007, much after the defendant had set up its Hospital and much before the respondent reached its present stature.

50. Therefore, the respondent has not made out a prima facie case for a grant of an injunction against the applicant. The applicant



has *prima facie* established the following:

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(i) In the year 1992 when the applicant had set up their Hospital, none of the respondent's trademark had been registered.

(ii) In the year 1992 the respondent's name has not attained the stature or presence that it now enjoys and therefore the plea of passing off by the applicant would not arise.

(iii) The adoption of the word by the applicant is not tainted with mala fides.

(iv) That the respondent whose Hospitals are around that of the applicant's since 2009 has not initiated any steps till 2023. Therefore, not only have the respondent acquiesced but they have also delayed in approaching the Court.

(v) That the stream of specialisation of the applicant and respondent are totally different. The



A.Nos. 2890 & 2892 of 2023

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applicant specialises only on burn injuries whereas the respondent has Hospitals for various ailments, diseases etc.,

(vi) That there is no similarity in the adoption of the name APPOLO by the applicant.

51. Therefore, the applications filed by the defendant / applicant in A.Nos.2890 and 2892 of 2023 are allowed and consequently, O.A.Nos. 183 and 184 of 2023 stand dismissed. For filing draft issues post on 19.09.2023.

07.09.2023

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A.Nos. 2890 & 2892 of 2023

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A.Nos. 2890 & 2892 of 2023
&
O.A.Nos. 183 & 184 of 2023
in
C.S.(Comm Div). No. 54 of 2023

07.09.2023