* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% Judgment reserved on: 11.02.2026
Judgment delivered on: 10.03.2026

\+ **C.A.(COMM.IPD-TM) 49/2025 & I.A.19990/2025**

PARLE PRODUCTS PRIVATE LIMITED .....Appellant

versus

THE REGISTRAR OF TRADE MARKS & ANR. .....Respondents

Advocates who appeared in this case:

For the Appellant : Mr. J. Sai Deepak, Senior Advocate alongwith Mr. N.K. Bhardwaj, Mr. Bikash Ghorai, and Mr. Salil Oberoi, Advocates.

For the Respondents : Ms. Nidhi Raman, CGSC alongwith Mr. Om Ram and Ms. Nikita Singh, Advocates for R-1.
Mr. Ajay Sahni and Mr. Mohit Maru, Advocates for R-2.

CORAM:
HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

J U D G M E N T

TUSHAR RAO GEDELA, J.

1. Present appeal has been filed under Section 91 of the Trade Marks Act, 1999, challenging the impugned order dated 29.04.2025 passed by the respondent no.1/the Registrar of Trade Marks in opposition no.1075195 filed by the appellant against impugned Trademark Application no.1606126 of the respondent no.2 in Class 30.

BRIEF FACTS:-

2. It is the case of the appellant that the appellant is engaged in the business of manufacturing and marketing, *inter alia*, biscuits, cookies and confectionery, snack foods, bakery products, chips and wafers, potato flakes, namkeen, cereal preparations, atta (flour), toffees, candies, chocolates, cakes, pastry, sweets, savory products, etc.

3. The appellant states that it had adopted the marks "20-20", "TWENTY-20" and "T20" in the year 2007 for the said goods and business and filed an application for registration of the trademark "20-20" on 04.10.2007. The appellant further states that an application was filed by respondent no.2 on 27.09.2007, for the trademark registration of mark "20-20" on a 'proposed to be used' basis.

4. The appellant claims that it launched the products under the trademark "20-20" between the years 2007-2008. The appellant submits that the Trademark Registration Certificates were issued for the marks "20-20", "TWENTY-20" and "T20" under nos.1608181, 1608182 and 1608183, respectively, in the name of the appellant on 01.11.2017.

5. The appellant submits that respondent no.2's application for the mark "20-20", under no.1606126, was advertised in Trade Marks Journal no.1960 on 25.11.2020. The appellant states that it filed an opposition against the registration of respondent no.2's application for mark "20-20". The appellant further states that respondent no.2 filed a counter statement to the opposition filed by the appellant on 01.02.2021. It is further stated that the appellant and respondent no.2 filed evidence by way of affidavits in support of the opposition under Rule 45 of the Trade Marks Rules, 2017, respectively, on 16.11.2022 and 09.01.2023. The matter was listed for final hearing before the

respondent no.1 on 17.04.2025. Thereafter, the respondent no.1 passed an order on 29.04.2025, dismissing the opposition of the appellant and allowing the application of respondent no.2.

6. Hence, the present appeal.

CONTENTIONS OF THE APPELLANT

7. Mr. J. Sai Deepak, learned senior counsel appearing for the appellant submits that the impugned order of the Registrar is unsustainable in law as also on facts.

8. He submits that the substratum of the reasoning of the Registrar is essentially based on the respondent no.2 being the senior adopter of the trademark only by virtue of the application seeking registration of the trademark having been filed just one week prior to that of the appellant. This premise, according to the learned senior counsel, is flawed. He would submit that respondent no.2 applied for registration of the mark "20-20" on 29.09.2007 on a 'proposed to be used basis', while the appellant submitted its application for the same mark on 04.10.2007, also on 'proposed to be used basis'. He would submit that the Registrar completely overlooked the fact that the appellant had been using the mark "20-20" continuously from the year 2008-09 onwards. He would submit that the earliest user of the said mark by the appellant was established by the invoice of the year 2009, which is prior in time to the respondent no.2. According to the learned senior counsel, the Registrar clearly overlooked the ratio laid down by the Supreme Court in ***Neon Laboratories Limited Vs. Medical Technologies Limited & Ors.*** reported in ***(2016) 2 SCC 672***. He submitted that in ***Neon Laboratories*** *(supra)*, the plaintiff was an unregistered prior user of the mark in question in

that case and sued the defendant for passing off. The defendant therein was a prior adopter and registrant. The Supreme Court, even in such cases where the defendant was a prior/senior adopter, considered and protected the rights of the person who put the goods using the said mark in the market first. Thus, he would submit that even if an entity is a prior or a senior adopter but not a user of the said mark, the courts would ordinarily apply the "first in the market" test to determine such disputes. According to him, the principle applied in such cases is that even if a party is a prior adopter and did not take any action despite gaining knowledge of the other party putting its goods in the market first, it would not be able to sustain the argument that the trademark should be protected merely on account of such entity being a prior/senior adopter. Applying the said principle in the present case, Mr. Sai Deepak, learned senior counsel would contend that since the appellant is undoubtedly the prior user, the mark of the appellant ought to be protected and in contradistinction thereto, the mark which has been registered in favour of respondent no.2 ought to be directed to be removed from the Register of Trade Marks.

9. Additionally, he would contend that the lack of user by respondent no.2 clearly indicates a lack of interest to protect its mark. That apart, he would contend that in comparison to respondent no.2, not only is the appellant the prior user of the mark by virtue of clearly crossing the benchmark of the "first in the market test", but also for the reason of its trademark being registered prior in time.

10. In order to buttress the aforesaid contentions, learned senior counsel referred to Section 34 of the Trade Marks Act, 1999, (hereinafter referred to as *"the Act"*) and submitted that the said Section postulates and protects a

prior user from being restrained from the use of an identical mark by a proprietor or registered user of a trademark. In other words, he contended that merely by virtue of being a senior adopter, the respondent no.2 cannot interfere with or restrain the use of the mark "20-20" by the appellant, although a junior adoptor, yet obtaining the registration of its mark prior to the registration of respondent no.2. In support of his contentions, learned senior counsel copiously read various paragraphs of ***Neon Laboratories*** *(supra)*, which read thus:

> *"**2.** Briefly stated, respondent-Plaintiffs 1 and 2 had filed a suit for injunction, damages and account of profits. The respondent-plaintiffs are engaged in the business of manufacture and marketing of pharmaceutical products and medicinal preparation, and as pleaded by them, have acquired high reputation and goodwill in the market. Hematal Biologicals Ltd. or Core Health Care Ltd., the predecessor-in-title of the respondent-plaintiffs is stated to have introduced the molecular preparation and generic drug "Propofol" in India, in respect of which an application had been filed before the Drug Controller of India on 22-4-1998. Product permission was received on 2-5-1998 from the Commissioner of Food and Drugs Control Administration.*
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> ***3.** It has been pleaded that the predecessor-in-title of respondent-Plaintiff 1 had coined and invented the trade mark PROFOL in April 1998 and not applied for registration of the said trade mark on 24-5-1998 in Class V. However, it seems to us that this claim may not find acceptance inasmuch as PROFOL is almost an anagram of and is phonetically almost indistinguishable from the molecular compound, namely, "Propofol". In our opinion, to claim exclusivity of the user, the trade mark should normally partake of a new creation, or if an existing word, it should not bear descriptive characteristics so far as the product is concerned, nor should it be of an extolment or laudation. It would be surprising if exclusivity is given to marks such as "bestsoap", etc. Having said this, we must accept the reality that in the pharmaceutical industry it is commonplace that trade marks reproduce and resonate the constituent composition. While this aspect and feature may be a good ground for declining registration of the trade mark, it may nevertheless remain a favourable determinant in a passing off action. So far as the subject trade marks are concerned, not only do their names constitute part of the generic drug "Propofol", but they are also so similar that even the medical*

practitioner/anaesthesiologist concerned could fail to discern the difference between them.

4. *It has been pleaded in the plaint that the said predecessor-in-title has been openly employing this mark since April 1998. After amalgamating with its predecessor-in-title on 17-2-2000, respondent-Plaintiff 1 became the owner of the trade mark* PROFOL*, and has been using it since 2000, when it also applied for its registration. Respondent-Plaintiff 2 is a licensee of respondent-Plaintiff 1. On coming to learn that Defendant 1, the appellant before us, had introduced into market the same generic drug under the trade mark* ROFOL*, the respondent-plaintiffs filed the present suit on 17-7-2005, on the predication that* ROFOL *is identical and deceptively similar to the respondent-plaintiffs' trade mark* PROFOL*. As is to be expected, the assertion in the plaint is that the appellant-defendant is marketing and passing off its products as that of the respondent-plaintiffs.*

xxx ***xxx***
xxx

7. *The primary argument of the appellant-defendant is that it had received registration for its trade mark* ROFOL *in Class V on 14-9-2001 relating back to the date of its application viz. 19-10-1992. It contends that the circumstances as on the date of its application are relevant, and on that date, the respondent-plaintiffs were not entities on the market. However, the appellant-defendant has conceded that it commenced user of the trade mark* ROFOL *only from 16-10-2004 onwards. Furthermore, it is important to note that litigation was initiated by the respondent-plaintiffs, not the appellant-defendant, even though the latter could have raised the issue to the respondent-plaintiffs using a similar mark to the one for which it had filed an application for registration as early as in 1992. The appellant-defendant finally filed a notice of motion in the Bombay High Court as late as 14-12-2005, in which it was successful in being granted an injunction as recently as on 31-3-2012 [Neon Laboratories Ltd. v. Medical Technologies Ltd., 2012 SCC OnLine Bom 510 : (2012) 4 Mah LJ 407] . We may reiterate that every High Court must give due deference to the enunciation of law made by another High Court even though it is free to charter a divergent direction. However, this elasticity in consideration is not available where the litigants are the same, since Sections 10 and 11 CPC would come into play. Unless restraint is displayed, judicial bedlam and curial consternation would inexorably erupt since an unsuccessful litigant in one State would rush to another State in the endeavour to obtain an inconsistent or contradictory order. Anarchy would be loosed on the Indian Court system. Since the Division Bench of the Bombay High Court is in seisin of the dispute, we refrain from saying anything more. The respondent-plaintiffs filed an appeal against the order dated 31-3-2012 [Neon*

Laboratories Ltd. v. Medical Technologies Ltd., 2012 SCC OnLine Bom 510 : (2012) 4 Mah LJ 407] and the Division Bench has, by its order dated 30-4-2012, stayed its operation.

8. *It may be reiterated that the respondent-plaintiffs assert that their predecessor-in-interest had initiated user of the trade mark* PROFOL *in 1998, when it commenced production thereof and the respondent-plaintiffs succeeded to the user of the mark upon amalgamation with their predecessor-in-title in the year 2000. The position that emerges is that whilst the appellant-defendant had applied for registration of its trade mark several years prior to the respondent-plaintiffs (1992 as against 26-5-1998 at the earliest), the user thereof had remained dormant for twelve years. We can appreciate that this passivity may be the result of research of the product or the market, but the appellant-defendant will have to explain its supineness through evidence. In this interregnum, the respondent-plaintiffs had not only applied for registration but had also commenced production and marketing of the similar drug and had allegedly built up a substantial goodwill in the market for* PROFOL*. The legal nodus is whether the prior registration would have the effect of obliterating the significance of the goodwill that had meanwhile been established by the respondent-plaintiffs. Would a deeming provision i.e. relating registration retrospectively prevail on actuality—competing equities oscillate around prior registration and prior user.*

9. *Section 34 of the Trade Marks Act, 1999 (the Act) deserves reproduction herein:*

> *"**34.Saving for vested rights**.—Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere with or restrain the use by any person of a trade mark identical with or nearly resembling it in relation to goods or services in relation to which that person or a predecessor-in-title of his has continuously used that trade mark from a date prior—*
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> *(a) to the use of the first-mentioned trade mark in relation to those goods or services be the proprietor or a predecessor-in-title of his; or*
>
> *(b) to the date of registration of the first-mentioned trade mark in respect of those goods or services in the name of the proprietor of a predecessor-in-title of his;*
>
> *whichever is the earlier, and the Registrar shall not refuse (on such use being proved), to register the second-mentioned trade mark by reason only of the registration of the first-mentioned trade mark."*

This section palpably holds that a proprietor of a trade mark does not have the right to prevent the use by another party of an identical or similar mark where that user commenced prior to the user or date of registration of the proprietor. This "first user" rule is a seminal part of the Act. While the case of the respondent-plaintiffs is furthered by the fact that their user commenced prior to that of the appellant-defendant, the entirety of the section needs to be taken into consideration, in that it gives rights to a subsequent user when its user is prior to the user of the proprietor and prior to the date of registration of the proprietor, whichever is earlier. In the facts of the case at hand, the appellant-defendant filed for registration in 1992, six years prior to the commencement of user by the respondent-plaintiffs. The appellant-defendant was, thus, not prevented from restraining the respondent-plaintiffs' use of the similar mark PROFOL, but the intention of the section, which is to protect the prior user from the proprietor who is not exercising the user of its mark prima facie appears to be in favour of the respondent-plaintiffs.

10. *Section 47 of the Act is in the same vein and statutory strain inasmuch as it postulates the possibility of a registered mark being taken off the register on an application being made by any aggrieved person, inter alia, on the ground that for a continuous period of five years and three months from the date on which the trade mark was registered, there was no bona fide use thereof. In the case in hand, prima facie, it appears that for over five years after a registration application was made by the appellant-defendant, the mark was not used. Facially, the Act does not permit the hoarding of or appropriation without utilisation of a trade mark; nay the appellant-defendant has allowed or acquiesced in the user of the respondent-plaintiffs for several years. The legislative intent behind this section was to ordain that an applicant of a trade mark does not have a permanent right by virtue of its application alone. Such a right is lost if it is not exercised within a reasonable time.*

11. *We must hasten to clarify that had the appellant-defendant commenced user of its trade mark ROFOL prior to or even simultaneous with or even shortly after the respondent-plaintiffs' marketing of their products under the trade mark PROFOL, on the appellant-defendant being accorded registration in respect of ROFOL which registration would retrospectively have efficacy from 19-10-1992, the situation would have been unassailably favourable to it. What has actually transpired is that after applying for registration of its trade mark ROFOL in 1992, the appellant-defendant took no steps whatsoever in placing its product in the market till 2004. It also was legally lethargic in not seeking a curial restraint against the respondent-plaintiffs. This reluctance to protect its mark could well be interpreted as an indication that the appellant-defendant had abandoned its mark at some point during the twelve-year interregnum between its*

application and the commencement of its user, and that in 2004 it sought to exercise its rights afresh. It would not be unfair or fanciful to favour the view that the appellant-defendant's delayed user was to exploit the niche already created and built-up by the respondent-plaintiffs for themselves in the market. The "first in the market" test has always enjoyed pre-eminence. We shall not burden this judgment by referring to the several precedents that can be found apposite to the subject. In the interest of prolixity we may mention only N.R. Dongre v. Whirlpool Corpn. [N.R. Dongre v. Whirlpool Corpn., (1996) 5 SCC 714] and Milmet Oftho Industries v. Allergan Inc. [Milmet Oftho Industries v. Allergan Inc., (2004) 12 SCC 624] In Whirlpool [N.R. Dongre v. Whirlpool Corpn., (1996) 5 SCC 714] , the worldwide prior user was given preference nay predominance over the registered trade mark in India of the defendant. In Milmet [Milmet Oftho Industries v. Allergan Inc., (2004) 12 SCC 624] , the marks of pharmaceutical preparation were similar but the prior user worldwide had not registered its mark in India whereas its adversary had done so. This Court approved the grant of an injunction in favour of the prior user. Additionally, in the recent decision in S. Syed Mohiden v. P. Sulochana Bai [S. Syed Mohiden v. P. Sulochana Bai, (2016) 2 SCC 683 : (2015) 7 Scale 136] this Court has pithily underscored that the rights in a passing-off action emanate from common law and not from statutory provisions, nevertheless the prior user's rights will override those of a subsequent user even though it had been accorded registration of its trade mark. The learned counsel for the appellant-defendant has endeavoured to minimise the relevance of Whirlpool [N.R. Dongre v. Whirlpool Corpn., (1996) 5 SCC 714] as well as Milmet [Milmet Oftho Industries v. Allergan Inc., (2004) 12 SCC 624] by drawing the distinction that those trade marks had attained worldwide reputation. However, we think that as world shrinks almost to a global village, the relevance of the transnational nature of a trade mark will progressively diminish into insignificance. In other words, the attainment of valuable goodwill will have ever increasing importance. At the present stage, the argument in favour of the appellant-defendant that we find holds more water is that in both Milmet [Milmet Oftho Industries v. Allergan Inc., (2004) 12 SCC 624] and Whirlpool [N.R. Dongre v. Whirlpool Corpn., (1996) 5 SCC 714] , as distinct from the case before us, the prior user of the successful party predated the date of application for registration of the competing party. The question to examine, then, would be whether prior user would have to be anterior to the date of application or prior to the user by the appellant-defendant. In other words, the question before the Court would remain whether the situation on the date of application for registration alone would be relevant, or whether the developments in the period between this date and the date of grant of registration would have any bearing on the rights of the parties. All these considerations will be cast into a curial cauldron to be appreciated by the Court before which the

suit is being contested. In these premises, we cannot conclude that a prima facie case has not been disclosed by the respondent-plaintiffs."

11. Emphasizing on the ratio laid down in ***Neon Laboratories*** *(supra)*, learned senior counsel, contended therefore that the judgement in the case of ***Nandhini Deluxe vs. Karnataka Coop. Milk Producers Federation Ltd.*** reported in ***(2018) 9 SCC 183*** applies.

12. Learned senior counsel further referred to ***McCarthy in Trademarks and Unfair Competition (Fourth Edition)*** to submit that consumers seldom engage in detailed analytical comparisons of competing marks. Purchasing decisions are instead based on imperfect recollection and the general impression created by a mark's visual appearance, phonetic sound and structural composition. The anti-dissection rule therefore aligns the legal test for infringement with the actual behaviour and perception of consumers in the marketplace. He relied on Chapter 17 of ***McCarthy on Trademarks and Unfair Competition (Fourth Edition)***, database updated June 2014. The same reads thus:

" A party cannot claim that use subsequent to abandonment of a mark has revived the rights obtained by the earlier use. The Court of Appeals for the Eleventh Circuit has held that where a party did not use the mark for 48 years from 1932 until 1980, its use in 1980 did not retroactively cure its past abandonment. Rights lost as a result of abandonment are not revived by such subsequent use. Once a period of nonuse results in abandonment, a resumption of use thereafter cannot cure the preceding abandonment. Such a resumption represents a new and separate use with a new date of first use. Once a trademark is abandoned, its registration may be cancelled even if the registrant subsequently resumes use of the mark.

Possible abandonment by the registrant during a time period prior to a challenged registration's filing date is irrelevant to the validity of that registration. Similarly, if a challenger's date of first use is later than the resumed use of the party alleged to have abandoned the trademark, then the issue of possible abandonment is irrelevant to the question of priority."

13. Learned senior counsel also relied upon ***Kerly's Law of Trade Marks and Trade Names***, in the following classic statement of the law, called an "impasse". The same reads thus:

> *"Concurrent right ... The statutory right of use given by registration of a mark does not provide a defence to proceedings for passing off by the use of the mark; although it is normally expedient for the claimant in such cases to apply to revoke the registration. Where a party applies to register a mark but does not immediately use it, and another party uses the mark and generates sufficient goodwill to support a passing off claim prior to the first use by the registered proprietor, an impasse ensues. The proprietor of the mark, if valid, may restrain use by the owner of the goodwill. However, the proprietorship of the mark provides no defence to a passing off claim by the owner of the goodwill, notwithstanding the fact that such goodwill was generated after the application to register the mark."*

14. Mr. J. Sai Deepak, learned senior counsel, further contended that the rights of the respondent no.2 stand extinguished on account of prolonged non-use amounting to abandonment. He further submitted that the trademark rights are not preserved in perpetuity merely by filing an application. He submitted that trademark law protects actual use in trade and the goodwill emanating therefrom. He also contended that the essence of trademark protection lies in the commercial use, market recognition and goodwill. He submitted that filing an application on a 'proposed to be used' basis does not, by itself, create commercial priority over a party that has actually introduced goods into the market and built a reputation. He further submitted that where a party allows another to expand its business, incur expenditure and build goodwill without commercial assertion of its own mark, it cannot later displace the established user solely on the basis of earlier filing.

15. Learned senior counsel next referred to the judgment of this Court in ***Intex Technologies (India) Ltd &Anr. v. M/s AZ Tech (India) & Anr.,***

reported in ***2017 (70) PTC 118 (Del)***, additionally to supplement that the "first in use" doctrine is a recognised concept and fully applies in the present case. He would contend that in the present case, respondent no.2 does not even dispute that the appellant was first in the market and correspondingly, respondent no.2 has not even commenced operations at all. In such circumstances, the Registrar has committed a manifest error, both in law and on facts, requiring this Court to interfere and direct removal of the trademark registered in favour of respondent no.2.

16. Dilating further on Section 34 of the Act, learned senior counsel would contend that in the present case it may be useful also to consider whether the said section has any bearing on Section 11 of the Act. According to learned senior counsel, both sections have to be read in conjunction to provide that a prior user of the same trademark has to be protected and at the same time it would form a valid defense in a suit available to the prior user even in cases where the opposite party is a prior/senior adopter. He also referred to Chapter IV of the Act to submit that Sections 27 to 34 of the Act, when cumulatively read, postulate the effects of registration of a trademark, which necessarily must be resolved in favour of the person who has not only been a prior user but also simultaneously is a registered proprietor of the said mark prior to the other party who may even be a prior/senior adopter. According to him, merely because respondent no.2 is a prior adopter would not disgorge the appellant from the benefits of protection conferred by Chapter IV of the Act.

17. Learned senior counsel also referred to the provisions of Section 9 and Section 11 of the Act. He would contend that Section 9 (2)(a) of the Act is an absolute bar to registration if the said mark is of such nature as to cause

deception to the general public or even cause confusion. He further contended on broad principles, that the appellant's mark "20-20", which is already registered in the name of the appellant and mark "20-20" of the respondent no.2, undoubtedly would cause confusion and possibly, deception too. This is in addition to the fact that since 2009, the appellant has built for itself substantial goodwill and immense reputation in the trademark over the years. He stated that the appellant had in fact, filed documentary evidence of the growth of the brand and popularity of the products manufactured and offered for sale under the registered trademark. He would contend that ignoring the principles of natural justice, the Registrar passed the impugned order without considering even an iota of evidence, which itself would be enough to set aside the said order. He emphatically contended that Section 11(1) (a) of the Act read with provisions of Section 11(4) of the Act and the Explanation (a) appended thereto envisage that once a trademark is registered, another trademark shall not be registered on account of its identity with the earlier trademark or similarity of goods or services covered by the previous trademark. That, coupled with the provisions of Section 11(3) of the Act, would provide better protection and standing to the earlier registered trademark, in case a suit for passing off is filed. He would contend that the principles of passing off are encapsulated within sub-Section (3) of Section 11 of the Act. Moreover, passing off is a subject matter of common law. He contended that the judgement in the case of ***Neon Laboratories*** *(supra)* and ***Intex*** *(supra)* was based on the principles of passing off.

18. Learned senior counsel relied upon the judgement of ***Jacobs vs. Iodent Chemical Co*** reported in ***MANU/FETC/0087/1930*** to buttress his

contentions. He submitted that in Jacobs, as in the present case, the appellant (Jacobs) was a senior adopter of the word "IODENT" while the respondent/the Iodent Chemical Co was the junior adopter of the same word. However, Jacobs, by his conduct, let the respondent encroach upon his territory and waited and watched the respondent grow on the ground that he, being poor at that time, lacked the necessary capital to expand his business. Except to notify the respondent, he did nothing more to protect his territory from the respondent. On such a finding, the appellate court held that even if Jacobs was the owner of a valid trademark and entitled to a given territory, however, on account of his failure to protect his territory by projecting his business within a reasonable time, he cannot, by the mere fact of ownership, pre-empt that territory forever. Learned senior counsel contended that in the present case respondent no.2 did not even have registered trademark in its name and had applied for such registration under proposed to be used basis, by which time the appellant had used the trademark extensively and exclusively, creating substantial goodwill and reputation and as a result, the trademark of the respondent no.2 has to give way to the mark of the appellant. He would contend that the right of the respondent no.2, as such, has been lost by abandonment, non user, laches or acquiescence.

19. Alluding to ***McCarthy***, learned senior counsel would contend that even if the respondent no.2 is the senior adopter and assuming its mark had been registered prior to the appellant, the principles of abandonment on account of non user would kick in and any subsequent use of the said mark, post the user of the trademark by the appellant, would, *ipso facto*, not cure the abandonment and it would be deemed to be a fresh user. He contended that

the subsequent resumption of user, post abandonment, may even entail cancellation of such registered mark.

20. Learned senior counsel next referred to the judgement of the learned Division Bench of this Court in ***Thukral Mechanical Works vs. PM Diesels Private Ltd.***, LPA No.320/2024 and batch, which relied extensively on ***Neon Laboratories*** *(supra)*. He emphasised on the ratio laid down in paragraphs 171 to 176 of the said judgement. That reads thus:-

> *"171. The judgment in Neon Laboratories, when applied to the facts of the present case, clearly supports the stand adopted by PMD. Though Jain had obtained a registration of the FIELD MARSHAL mark for centrifugal pumps, with effect from 13 May 1965, which never used the said mark even till the date when it transferred the registration of the mark alongwith the goodwill therein to Thukral, by the assignment deed dated 30 May 1986. Even thereafter, the evidence of user of the mark FIELD MARSHAL for centrifugal pumps, by Thukral, is forthcoming only from 1988. There was no user, of the registration obtained by Jain of the mark FIELD MARSHAL for centrifugal pumps for 23 years after it was obtained in 1965.*
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> *172. In the interregnum, PMD commenced using the mark FIELD MARSHAL for centrifugal pumps from 1975. By 1988, when Thukral commenced user of the mark for centrifugal pumps, considerable goodwill and reputation of the FIELDMARSHAL mark for centrifugal pumps, had enured in favour of PMD.*
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> *173. In such circumstances, applying the law laid down by the Supreme Court in Neon Laboratories, which reflects the legal position as settled by Kerly and elucidated in the judgment of the UK Court of Appeal in Inter Lotto, PMD would be entitled to maintain a passing off action against Thukral on the basis of the goodwill accumulated by it between 1975 and 1988, when Thukral commenced user of the mark FIELD MARSHAL, for centrifugal pumps.*
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> *174. Inasmuch as Jain had not cared to exploit the registration of the mark FIELD MARSHAL for centrifugal pumps obtained by it with effect from 13 May 1965, for 23 years, we are in agreement with the learned Single Judge that Thukral could not seek to displace the right of PMD to obtain an injunction on the ground of passing off, arising out of the goodwill accumulated by PMD of the mark FIELDMARSHAL for centrifugal pumps*

between 1975 and 1988, on the basis of the archaic registration of the mark obtained by Jain with effect from 13 May 1965.

175. We may note that Thukral would not be able to capitalize even on the exception engrafted in the opening sentence in para 11 of the decision in Neon, as there is no evidence of user either by Thukral or by Jain, of the FIELD MARSHAL mark for centrifugal pumps prior to the commencement of user of the mark by PMD in 1975.

176. We, therefore, uphold the decision of the learned Single Judge granting an injunction, in favour of PMD and against Thukral, restraining use of the FIELD MARSHAL mark by Thukral for centrifugal pumps, on the ground of passing off."

21. Mr.Sai Deepak, learned senior counsel, alluded to various paragraphs of the pleadings to indicate the stiff opposition and serious contentions raised by the appellant before the Registrar under Sections 9(1), 9(2)(a), 11(3) and Section 18(1) of the Act, setting out the grounds as to why the application of the respondent no.2 seeking registration of the mark "20-20" should not be allowed. On the undeniable prior user, learned senior counsel invited attention to the affidavit of evidence filed by the appellant, wherein reference was made to invoices of the year 2009 mentioning the sale of products using the mark "20-20", the sales and promotional figures achieved by the appellant since the year 2006-07. He emphasised that there is substantial evidence in documentary form to prove and establish not only prior use but also the substantial growth in goodwill and reputation, which was not even considered by the Registrar. He contended that ignoring the facts, the evidence placed on record and overlooking the law on the subject, the Registrar has passed the cryptic impugned order solely on the basis that the respondent no.2 was a senior/prior adopter. This, according to learned senior counsel, was an abject non-application of mind. He thus prays that the appeal be allowed.

CONTENTIONS OF THE RESPONDENT NO.2

22. Mr. Ajay Sahni, learned counsel appearing for the respondent no.2, while refuting the submissions of the appellant, gave brief background facts which may be germane to the contentions on behalf of the respondent no.2.

a. Learned counsel submits that respondent no.2 admittedly filed an earlier application for the registration of the trademark "20-20" in Class 30 on 27.09.2007, *vide* application no. 1606126 for the goods "coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes; flour and preparations made from cereals; bread, biscuits, cakes, pastry and confectionery, candies, ices, honey, treacle; yeast, baking powder, salt, mustard; pepper, vinegar, sauces, spices; ice, vermicelli and papads" being goods included in Class 30.

b. The application was submitted on a 'proposed to be used' basis. The applications stated to have been examined *vide* the Examination Report dated 10.10.2008, wherein objections under Sections 9 and 11 of the Act were raised. A reply thereto was filed by respondent no.2 on 04.12.2008.

c. A notice for hearing was issued for the hearing on 15.03.2010, when respondent no.2 addressed oral arguments and filed an additional reply to the Examination Report. The order was reserved after the hearing. As no order was communicated to respondent no.2, by letter dated 26.03.2010, respondent no.2 sought an enquiry about the said application. Despite making a number of personal enquiries by the counsel for respondent no.2,

the Trade Mark Registry Office did not respond, constraining the respondent no.2 to file an RTI application on 08.10.2012. *Vide* letter dated 08.11.2012, Trade Marks Registry informed that the order of refusal had not been communicated to respondent no.2.

d. On 21.11.2012, respondent no.2 filed Form TM-15 before the Trade Marks Registry to obtain the grounds of refusal and followed up by reminders dated 21.02.2013 and 03.11.2015. Despite a number of letters/correspondences, the Trade Mark Registry did not respond.

e. Aggrieved by such non-response, respondent no.2 filed a writ petition on 10.02.2016, which was disposed of in favour of respondent no.2 *vide* order dated 24.02.2016 passed by this Court. Pursuant thereto, on 01.03.2016, the grounds of refusal were communicated to respondent no.2 by Trade Mark Registry for the first time, whereby respondent no.2 came to know that the application was refused under the provisions of Section 9(1)(b) of the Act.

f. The said order was challenged by respondent no.2 before the then Intellectual Property Appellate Board (IPAB), which set aside the said refusal order by its order dated 09.08.2019 and directed that the application be processed for publication in the Trade Marks Journal. Accordingly, the said application was published in the TMJ on 10.08.2020.

g. The aforesaid publication in the Trade Marks Journal was opposed by the appellant on 25.11.2020, which was finally dismissed on

29.04.2025 by way of the impugned order of the Registrar. Simultaneously, respondent no.2 became the registered proprietor of the said trade mark '20-20' in Class 30 with effect from 27.09.2007.

23. From the aforesaid factual conspectus, learned counsel submits that respondent no.2 diligently had pursued its application for as many as 17 years without any fault on its part, which cannot enure to the benefit of the appellant.

24. Learned counsel submits that in contradistinction to the facts narrated above, the appellant admittedly sought registration of the mark '20-20' in Class 30 *vide* Application no.1608183 on 04.10.2007, on a 'proposed to be used' basis, which is subsequent to that of the respondent no.2. The application was for the goods biscuits and confectionery, bread, cake, pastry, wafer (biscuits), all being goods included in Class 30, sweets, sweetmeats, toffees, chocolate included in Class 30, ice cream and ice cream mix, products for making biscuits, essences for food, buns, candy, chewing gum, chicory, atta, flour and preparations made from cereals, vermicelli and semolina, mustard powder, gelatin for food, spaghetti, noodles and other pasta products. The application stated to have been examined on 24.06.2008 and apart from other marks, mark of respondent no.2 '20-20' dated 27.09.2007 was also cited as a conflicting mark under Section 11 of the Act. An objection under Section 9 of the Act also was raised.

25. Learned counsel submits that in response to the objection under Section 9, *vide* the reply dated 01.08.2008, the appellant stated that both the marks are inherently distinctive when seen as a whole. So far as objection

under Section 11 is concerned, the appellant submitted that the mark applied for is visually, phonetically and conceptually different from the marks cited and further stated that in order to overcome the said objection, the appellant is willing to restrict the specification of goods to 'Biscuits' only.

26. On the date of hearing on 22.12.2009, after hearing the appellant and considering the reply dated 01.08.2008, the objection under Section 9 of the Act was waived. As regards Section 11 of the Act, the mark was allowed only in respect of the goods 'Biscuits only'. Learned counsel submits that though the appellant's mark was limited to 'Biscuits only', however, surprisingly in the Trade Marks Journal dated 12.06.2017, the advertisement specified all goods for which the appellant had initially applied. Erroneously, the said application was processed for registration which was granted for the trade mark '20-20' in Class 30 on 01.11.2017.

27. On the aforesaid conspectus, learned counsel submits that once the mark of respondent no.2 amongst others, was cited as an objection and the appellant in order to overcome the objection under Section 9 of the Act admitted that both marks are distinct when considered as a whole, cannot today object to the grant of registration of the mark '20-20' in favour of the respondent no.2. Additionally, to overcome objection under Section 11 of the Act, wherein mark of respondent no.2 was cited as a conflicting mark, the appellant admitted that the mark of the appellant is visually, phonetically and conceptually different from the pending marks cited in the report and also restricted the specification of goods to 'Biscuits only'. He stoutly contended that in such circumstances, the appellant cannot be permitted to approbate and reprobate. In support of the said contention, learned counsel referred to the

application filed by respondent no.2 and the further processes as also the application of appellant and the subsequent processes which have taken place.

28. Learned counsel referred to Section 18 of the Act to submit that the respondent no.2, being a senior adopter has an overriding right over that of the appellant which is undeniably the junior adopter of the mark '20-20'. He would submit that this would gather greater significance for the reason that both parties had applied for the said mark on a 'proposed to be used' basis. Thus, appellant having commenced manufacturing goods and offering them for sale using the mark '20-20' even prior to its own grant of registration, cannot be a reason to disentitle respondent no.2 from having the mark '20-20' registered in its own name. Section 18 of the Act envisages only the date of application and not the prior use and provides for grant of registration from the date of the application. Clearly, therefore in terms of Section 18 of the Act, the prior applicant i.e. the senior adopter, would have the edge over the junior adopter. So far as reliance of appellant on Section 9 of the Act is concerned, learned counsel would submit that such grounds are not available to the appellant keeping in view the reply dated 01.08.2008 of the appellant in answer to the Examination Report dated 24.06.2008 issued by the Trade Marks Registry.

29. In so far as the contention of the appellant relying upon the Explanation (a) of sub-Section (4) of Section 11 of the Act is concerned, learned counsel submits that when both parties had applied for registration of their mark on a 'proposed to used' basis, neither the explanation nor sub-Section (4) of Section 11 would fall for consideration. He would submit that it is not the case of the appellant that the appellant is a prior user or registrant of

the mark '20-20' and thus, the aforesaid section would not be applicable at all. Moreover, he would contend that the issue of passing off under Section 11(3) of the Act, also neither arises nor can exist for the reason that the respondent no.2 has not yet commenced manufacturing any product under the mark '20-20'.

30. Learned counsel extensively relied upon the judgment of the High Court of Madras in ***Mohan Goldwater Breweries Pvt. Ltd. vs. Khoday Distilleries Pvt. Ltd and Others*** reported in ***MANU/TN/0555/1976*** to submit that in a case where two entities applied for similar or identical mark on a 'proposed to be used' basis, the use of such mark by one of the parties in the interregnum while the applications are being considered, would not devolve any special benefit to such user of the mark. It would only be the date of application which would form the basis of grant of registration. Relying on the said judgment learned counsel would submit that mere commencement of manufacture of goods using the trademark '20-20' and being granted registration in the interregnum, would not, *ipso facto*, preclude respondent no.2 from obtaining registration of its mark even if the application has been pending for the last 17 years.

31. He would submit that the aforesaid ratio laid down in ***Mohan Goldwater*** *(supra)* has been consistently followed by this Court too in ***Enterprises Pvt. Ltd vs. Jay Kay Coir Foam Pvt. Ltd. & Ors.*** reported in ***MANU/DE/6941/2024*** and ***Reckitt and Colman Overseas Health Limited vs Ind Swift Limited and Another*** reported in ***2025 SCC OnLine Del 9542***. He would also rely on the judgment of this Court in ***Radico Khaitan Ltd. vs Devans Modern Breweries Ltd.*** reported in ***MANU/DE/0866/2019***, whereby,

in para 48, the judgment of the Supreme Court in ***Neon Laboratories*** *(supra)* was distinguished on the ground that the same was an authority for passing off and not infringement. He would submit that since respondent no.2 has not commenced its use of Trademark '20-20' for any goods. The ratio laid down by the Supreme Court in ***Neon Laboratories*** *(supra)* would clearly be not applicable. Moreover, he would contend that in ***Neon Laboratories*** *(supra)*, the appellant Neon had a registered trademark not used, whereas, respondent no.2's trademark was registered in the year 2025 after 17 years of continuous unrelenting pursuit by respondent no.2. Thus, on facts and in law, the ratio of ***Neon Laboratories*** *(supra)*, would clearly be not applicable to the facts of the present case.

32. He further relied upon the judgment of this Court in ***Vasundhara Jewellers Pvt Ltd. vs. Vasundhara Fashion Jewellery LLP & Ors.,*** reported in ***MANU/DE/ 6647/2025***, particularly, para 74, to submit that the appellant cannot be permitted approbate and reprobate so far as its opposition to the mark of respondent no.2 is concerned. In that, while before the Trade Marks Registry, appellant admitted that the two marks are not visually, phonetically and conceptually similar, at this stage before this Court the appellant would contend that respondent no.2's mark ought not to be registered since it is either identical or deceptively similar to that of the appellant. According to learned counsel this is impermissible in law. He also relied upon the judgment of the Supreme Court in ***Pernod Ricard India Private Limited & Anr. vs. Karanveer Singh Chhabra*** reported in ***2025 SCC OnLine SC 1701***, particularly, para 29.4, to submit that so long as the mark is registered it will be saved under Section 28 and 29 of the Act. He also relied upon the

judgment of ***Meghraj Biscuits Industries Ltd vs. Commissioner of Central Excise, U.P.*** reported in ***MANU/SC/1463/2007*** rendered by the Supreme Court, particularly para 14 and 15.

ANALYSIS AND CONCLUSIONS

33. Before this Court adverts to the controversy, it would be appropriate to crystallize the admitted facts, which are as under:

a. Respondent no.2 is the prior adopter and prior applicant for registration of the identical trademark '20-20' in Class 30 dated 27.09.2007 for identical/same goods in the office of the respondent no.1 as compared to the appellant who subsequently filed its application for the identical trademark '20-20' in Class 30 on 04.10.2007.

b. Respondent No. 2's application for registration filed on 27.09.2007 was on a 'proposed to be used' basis and the appellant's application for registration was subsequently filed on 04.10.2007 on a 'proposed to be used' basis, meaning thereby that neither of the parties had commenced use of the the said trademark '20-20' prior to the filing of their respective applications.

c. The prior application of the respondent No. 2 bearing application no. 1606126 in Class 30 dated 27.09.2007, for the identical trademark '20-20', was cited as one of the conflicting marks under Section 11 of the Act in the Examination Report issued to the appellant, to which, the appellant replied *vide* reply dated 01.08.2008 *"……The mark applied for, is visually, phonetically and conceptually different from the pending marks cited in the report. In order to overcome the objection raised under Section 11 of the Act, Applicants are prepared to restrict the specification of goods to 'Biscuits' only"*.

d. It came to the knowledge of the appellant, at least by the first week of July 2008, that the respondent no.2 was a prior applicant in the office of the respondent no.1 for the identical trademark '20-20' in respect of near identical goods, when it received the aforesaid Examination Report. Despite such knowledge since the month of July 2008, the appellant went ahead with the use of the said trademark '20-20'.

e. It is admitted that the period taken from the date of filing of the trademark application by Respondent No.2 to the ultimate registration of the mark in its favour, exceeded 17 years. Soon after Respondent No.2 became the registered proprietor of the mark vide the impugned order dated 29.01.2025; the appellant filed the present appeal and thereafter also filed a cancellation petition against the registered trademark as well as a civil suit seeking injunction. It is in the aforesaid circumstances that respondent no.2 was unable to use the trademark '20-20' in respect of any goods in Class 30 during this period.

f. It is admitted that the appellant has not filed any documentary evidence on record to establish use of the said trademark '20-20' in respect of any goods prior to 27.09.2007, i.e., the date of application / deemed registration of the respondent no. 2.

g. It further stands admitted that both the initial notice of opposition and the instant appeal has been filed by the appellant on alleged violation of the provisions of Section 9, 11, 12 and 18 of the Act.

34. The undeniable case of the parties is that both the appellant as also respondent no.2 had applied for the mark '20-20' for goods in Class 30 on a 'proposed to be used' basis. Undoubtedly, respondent no.2 filed its

application on 29.09.2007, while appellant submitted its application on 04.10.2007 for the same class of goods. Clearly, respondent no.2 is a senior adopter of the two. It is also not denied that on the date of the application, none of the parties were manufacturing goods using the mark '20-20' at all.

35. Though the appellant has placed on record certain invoices dating back to the year 2009 and other documents to establish prior user in comparison to respondent no.2's complete non-use and also relied upon the judgment of the Supreme Court in ***Neon Laboratories*** *(supra)* to vehemently contend that "First in the Market" test laid down therein enures to the benefit of the appellant, this Court must consider as to whether provisions of Section 18 of the Act provide for or envisage any such situation.

36. The appellant also had contended that since the prior adopter who subsequently became the registrant did not take any action despite the knowledge of the appellant putting the goods in the market, whether such prior adopter can be said to have any rights over the rights which have already been protected in favour of the appellant by not only being the first in the market but also being the prior registrant of the mark '20-20'. In fact, the appellant contended that the enormous delay in respondent no.2 getting its mark registered while in the interregnum appellant had not only used the mark '20-20' but has garnered immense reputation and goodwill in the market to the extent that the mark '20-20' has now come to be exclusively associated with the appellant would enure to the benefit of the appellant. The appellant also contended that the prior user in the trademarks jurisprudence has a better right than the prior adopter when particularly the prior adopter has not taken any action to protect its rights and only shows lack of interest. The appellant

had relied upon the judgments of the Supreme Court in ***Neon Laboratories*** *(supra)* and ***Nandhini*** *(supra)*, also the Commentary of ***McCarthy*** and ***Kerly*** as also the judgment in ***Intex Technologies*** *(supra)* to support its contentions. The appellant also relied upon the judgment of the Court of Appeals in ***Jacob's case***.

37. Though the appellant had extensively relied upon the judgment of the Supreme Court in ***Neon Laboratories*** *(supra)*, this Court is of the considered opinion that the said judgment was a proposition in the context of passing off and not infringement. Admittedly, in the present case respondent no.2 had not commenced the manufacture of goods using the mark '20-20' till date, thus the question or the issue of passing off does not arise at all. In such circumstances, as noticed in ***Radico Khaitan*** *(supra)* by this Court in paragraphs 49 and 50, the ratio in ***Neon Laboratories*** *(supra)* is constricted only to a case of passing off and not infringement and moreover neither ***Neon Laboratories*** *(supra)* nor ***S. Syed Mohiden v. P. Sulochana Bai, (2016) 2 SCC 683*** are an authority for a defence under Section 34 of the Act in an action for infringement of a registered trademark. It is trite that judgments are not Euclid's theorem to apply in all cases without reference to the facts which arise in such cases. Thus, the question as to whether the appellant had commenced its manufacturing using the mark '20-20' prior to the respondent no.2 or not would not be relevant to decide the present controversy.

38. The facts in the present case appear to be clearly more in consonance with those which had arisen before the Madras High Court in ***Mohan Goldwater*** *(supra)*. In ***Mohan Goldwater*** *(supra)*, the following facts had emerged, which are extracted hereunder:-

"1. These two appeals have been filed by the same appellant under Section 102 of the Trade and Merchandise Marks Act, 1958, (hereinafter referred to as "the Act") against the orders passed by the Assistant Registrar of Trade Marks rejecting oppositions Nos. 691 and 692 to applications Nos. 260504 and 260523 respectively. The first respondent herein who is the same in both the appeals filed applications Nos. 260504 and 260523 on 10th November, 1969, for registration of a trade mark consisting of the words "Silver King" in respect of beer, ale and stout included in Clause 32 and in respect of liquors of all kinds included in Class 13, respectively, stating that the marks were proposed, to be used in respect of the said goods. The applications were accepted by the second respondent and advertised in the Trade Marks Journal No. 513 dated 16.10.1970 at pages 562 and 564 respectively. The appellant filed notice of opposition to the registration of the said trade mark on 15.1.1971 under Section 21 of the Act in relation to the goods in question setting out the following main grounds:
(1) The opponents had adopted the trade mark containing the words "Silver King" in respect of beer manufactured by them since June 1970, and that the said trade mark had actually been extensively used by them since September 1970 as a result of which a great deal of reputation had accrued around it.
(2) The applicant's trade mark was deceptively similar to the trade mark adopted and used by the opponents and, therefore, the registration of the applicant's mark with the words "Silver King" would be contrary to Section 11(a) of the Act.
(3) The applicants were not the proprietors of the mark, in respect of the goods for which registration had been sought, within the meaning of Section 18(1) of the Act."

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3. The second respondent then proceeded to consider the applications for registration in the light of the opposition, after a personal hearing. Before the second respondent it was contended by the opponents that the application for registration of the trade mark "Silver King" was based on the proposed adoption of the mark for use in relation to liquor of all kinds that the opponents had adopted and used the trade mark "Silver King" from September 1970 that by such adoption and user, they had acquired ownership of the trade mark and, therefore, the registration of the trade mark in the name of the applicants after the opponents had acquired ownership therein will be contrary to section 11(a) of the Act. Dealing with this objection of the opponents that they having acquired ownership of the trade mark by long use subsequent to the filing of the application for registration, the trade mark could not be registered in the name of the

applicants the second respondent took the view that in an application for registration the rights of the parties were to be determined as on the date of the application that the question of deception or confusion under Section 11 must generally be determined with reference to that date and that in this case the evidence of user filed by the opponents from October 1970 being subsequent to the date of the application, the user was not of any avail. In this view, the second respondent proceeded to consider the question whether the applicants were the proprietors of the mark on 10th November, 1969, named the date of the application, within the meaning of Section 18(1) of the Act, and held that the applicants having proposed to use the trade mark and showed then-intention to register the same, should be taken to be the proprietors of the mark on that date and, therefore the applicants were entitled to have the same registered. The result was both the applications for registration of the trade mark "Silver King" in respect of goods covered by classes 32 and 33 were allowed and the oppositions were rejected on 4th August, 1973. The said decision of the second respondent has been challenged in these appeals.

4. The contentions raised by the appellants are these: (1) The applicants not having filed any evidence by way of affidavits in support of the application as contemplated by Rule 54 within 2 months from the date of receipt of the copies of the affidavits in support of the opposition, they could not be permitted to let in any further evidence in support of their application, that the failure to file any evidence in support of the application as required in Rule 54 would lead to the inference that the evidence adduced by the opponents in support of their opposition was not proposed to be repudiated by the applicants, and that the affidavit evidence adduced by the opponents clearly indicated that the applicants had no intention to use the trade mark which they sought to register. (2) The applicants had not acquired any proprietary right in the trade mark in question either on the date of the application or at any subsequent date and, therefore, they were not entitled to have the trade mark registered. (3) The opponents having adopted and used the trade mark in an extensive manner from October 1970, they should be taken to have acquired a proprietary right in the trade mark. (4) The material date for determining the ownership of the trade mark was the date of opposition and not the date of application as had been held by the second respondent and the opponents having acquired the ownership in the trade mark by established user long before the date of opposition any registration of the mark in favour of the applicants would infringe Sections 11 and 12 of the Act.

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9. As regards the second contention as to whether the applicants have acquired a proprietary right in the trade mark on the date of the application so as to enable them to file an application under Section 18, the learned counsel for the appellants contends that though the applicants in their application filed in November 1969 proposed to use the trade mark, they have not chosen to use the trade mark till now, that a mere intention to use is not sufficient to confer a proprietary right in the mark on the applicants and that a present intention to the immediate use of the trade mark is necessary before an application for registration is filed under Section 18. Section 18 dealing with an application for registration of a trade mark says that 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 to the Registrar in the prescribed manner for the registration of his trade mark. The section indicates that a person who is actually using a trade mark or who intends to use a trade mark can apply for registration. Therefore, the actual user is not necessary for acquisition of proprietary right in a trade mark and an intention to use and register the trade mark appears to be sufficient. The question is how that intention is to be gathered.

10. The applicants have stated that as they intended to adopt the expression "Silver King" as their mark, they caused an inspection to be made of the records in the Registry whether anyone had used or proposed to use the said mark, and that only after satisfying themselves that no one has claimed any proprietary right in the mark they chose to apply for registration of the mark in November, 1969. Admittedly the appellants adopted and used the said mark only in October 1970. If the applicants had no intention to use the trade mark on the date of the application, they would not have taken the trouble or causing a search to be made in the records of the Registry and applying for the registration of the trade mark. The only circumstance relied on by the opponents as indicating that the applicants had no immediate intention to use the trade mark is that even after the application for registration of the trade mark they had not chosen to actually use the trade mark. I am, however, of the view that this circumstance will not disprove any intention on the part of the applicants to use the trade mark. The application for registration of the trade mark having been filed, it might be that they waited till the trade mark is actually registered. It is true that even after the trade mark had been registered, the applicants have not used the trade mark. But the opponents having filed these appeals challenging the decision of the Registrar, the applicants might have postponed the user till the appeals are disposed of in their anxiety not to take any risk. This conduct of the applicants in not using the trade mark since the date of the application will only indicate that they are not inclined to take the risk pending the decision of the Registrar of Trade Marks

especially when the registration of the trade marks has been opposed by the appellants on the ground that they have already adopted and used trade mark in connection with the liquor manufactured by them.

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12. It is true, the burden of proving that the trade mark in respect of which registration is sought is entitled to go on the register is on the applicant and if there be any doubt in the matter the application will have to be refused. It is also well established that it is incumbent on the applicant to establish that he is the proprietor of the mark before his mark could be registered. In this case the applicants are persons who have proposed to use the expression "Silver King" as a trade mark and sought for registration of the same. On the date of the application for registration of that mark no one else had designed and proposed to use the same. Of course they have not chosen to use the trade mark either before or after the application for registration was filed. But as already stated, user is not necessary for filing an application having regard to the language of Section 18. If a bonafide intention to use the trade mark immediately in connection with the goods manufactured is established, that will enable the applicant to maintain an application for registration under Section 18. I am not prepared to accept the contention of the appellants that non-preparation and non-user of the mark from the date of the application till the application came up for hearing will show that the applicants have really no intention to use the trade mark. The applicants had sufficient interest in the mark so as to enable them to file an application under Section 18 as on 10th November, 1969, when no one had used or proposed to use the trade mark in question.

13. This leads us to the third contention. It is the case of the appellants that they have designed, adopted and used a trade mark with the words "Silver King" in connection with beer, ale and stout manufactured by them, that this mark has acquired a reputation and that, therefore, the applicants who have not chosen to use the trade mark till now cannot be enabled to acquire a proprietary interest in that mark by registering it. No doubt so long as a mark has not been registered anyone can adopt and use it and acquire a proprietary right therein as a result of such adoption and user. In this case, it has not been disputed by the applicants that the appellants have used a trade mark with the words "Silver King" in connection with beer, ale, and stout manufactured by them ever since October 1970. According to the appellants they have adopted and used the trade mark bonafide without any knowledge of the pendency of the application for registration of the trade mark "Silver King" filed by the applicants. There is considerable evidence in this case to establish that the appellants have been using the trade mark

from October 1970 in connection with their goods. However, there is no evidence that the adoption and user of the trade mark in relation to their goods is bonafide and without the knowledge of the pending application for registration by the applicants in relation to the same trade mark. Admittedly the appellants have not made any search in the Registry to find out whether anyone had already adopted and proposed to use the trade mark in question. The adoption and user of the trade mark by the appellants is said to have been done casually without reference to the Register of trade marks. It is contended by the applicants that the adoption and user by the appellants of the mark was not bonafide in that they did not make proper enquiries before such adoption and user as to whether anyone else had adopted or proposed to use the same in connection with his goods. Even so, the user of the mark will enable the appellants to acquire proprietary interest therein if no one else had acquired earlier such interest in the mark, and this is the position under the common law. Neither the provisions of the Act nor the rules framed thereunder prevent anyone else using a trade mark till the mark is actually registered. Therefore, there cannot be any doubt that the appellants can claim to have acquired a proprietary interest in the mark as a result of the user from October, 1970 if the applicants had not earlier acquired any interest in the mark.

14…The question then is, as between the applicants who have proposed to use the mark and have sought registration of the same in November, 1969 and the appellants who have chosen, to use the mark subsequent to the date of such application for registration, who has got a preferential right to use or the proprietary interest in the trade mark. This question leads us to the fourth contention as to what is the relevant date for ascertaining the proprietary interest in a trade mark for purpose of registration. According to the applicants, the date of application for registration is the relevant date while according to the opponents the relevant date is the date of opposition. On a due consideration of the matter, I am of the view that for the purpose of registration of a trade mark the rights of the parties have to be usually determined as on the date of the application. This is the view taken by Romer J. in Jellinek's application (1946) 63 R.P.C. 59 at p. 78. Ciba Ltd. v. M. Ramalingam MANU/MH/0021/1958 : A.I.R. 1958 Bombay 58 at p. 61 takes the same view. As already stated, user is not absolutely necessary for the purpose of maintaining an application for registration. In this case the application for registration was filed on 10-11-1969 and the evidence of user filed by the opponents is from October, 1970. Since the applicant's entitlement to registration of a trade mark has to be decided with reference to the facts as on the date of the application for registration, the evidence of user by the opponents subsequent to the said date cannot be relevant and will not entitle them to put forward the plea of user in answer to the earlier application for registration. The question then is whether the applicants are

entitled to have the mark registered under Section 18(1) notwithstanding its subsequent adoption and user by the Opponents in October 1970.

15. Section 18(1) of the Act reads as follows:-

> *"Any person claiming to be 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 either in Part A or in Part B of the Register."*

16. Under the said section one has to consider whether the applicants are persons claiming to be the proprietors of the mark and whether they have a present intention to use that mark in respect of the goods set out in their application. When an applicant proposes to use a trade mark, he must show that there is some immediate and present intention to deal in certain goods or description of goods and not a mere general intention of extending his business at some future time which he may think desirable. There is an averment in the counter-statement of the applicants that they are the proprietors of the trade mark as they adopted the same in 1969 in good faith after ascertaining that the said mark has not been adopted or proposed to be adopted or used by anyone else. The efforts taken by the applicants in the choice and adoption of the trade mark after verification and to have it registered on the date of the application shows that they had a present and definite intention to use the mark in connection with the goods manufactured by them. They have not subsequently abandoned their intention to use it, as otherwise they would not have pursued their application. Besides, the applicants are already in the wine trade and it is easy for them to use the trade mark as soon as the proceedings for registration are concluded. No doubt, the applicants have not started using the mark and the opponents have started using the same. That does not seem to matter in this case.

17. In the matter of Hudson's trade marks (3 R.P.C. 135 at 160) Cotton L.J. has observed:

> *"Is a man to be considered as entitled to the exclusive use of any trade mark when he has never used it at all? That is a difficulty; but then, I think, the meaning is this; if a man has designed and first printed or proposed, or framed, any of those particular and distinctive devices which are referred to in the first part of Section 10 (U.K. Act of 1875) he is then looked upon as the proprietor of that which is under that Act a trade mark and this will give him the right as soon as he registers it."*

39. In the above context, the Madras High Court had clearly analyzed and concluded as under:-

> *23. The question is whether the subsequent adoption and user of the same trade mark by the opponents will disentitle the applicants from having the mark registered in pursuance of their earlier application for registration. The appellant's contention is that the applicants' alleged intention to use the trade mark is not bonafide and that it is clear from the fact they have not chosen to use the mark from November, 1969 till the date of registration that they have no present intention to use it. It is pointed out that even if they had any intention to use, it has to be taken to have been abandoned thereafter. As regards the said plea based on non-user of the mark by the applicants subsequent to the date of application for registration it is pointed out by the learned counsel for the applicants that soon after the application was advertised in the Trade Marks Journal the application was opposed that as the right to the mark was in the balance the applicants had suspended all their preparations relating to its use, and that as prudent men, they are waiting for the final conclusion of the opposition proceedings. On the facts, I am inclined to agree with the learned counsel for the applicants that the non-user of the mark by the applicants subsequent to the date of the application for registration cannot be taken to show a lack or abandonment of intention to use the mark on their part. It is true, as pointed by Lord Wilberforce in the matter of Bali Trade Mark (1969) R.P.C. 472 at p. 501:*
>
> > *".....an owner of a trade mark had to come to a court of equity and to ask for his right of property to be protected, a right which, in accordance with general equitable principles, would be denied protection if there were an element of deception in his claim or it were otherwise not founded on truth."*
>
> *24. However, there is no element of deception or lack of bonafides in the claim made by the applicants for registration of the trade mark. The learned counsel for the appellants would rely on Rawhide case in (1962) R.P.C. 133 as indicating that the nonuser of the trade mark at least subsequent to the date of application for registration by the applicants will enable the Registrar to dismiss the application for registration in his discretion especially when the opponents have acquired a proprietary interest in the trade mark by long and continued user, though subsequent to the date of the application for registration. In that case a doubt was entertained by the Court as to the existence of an unconditional intention to use the trade mark and on the facts the refusal to register could be justified on the basis of bonafide exercise of discretion by the Registrar. It is, no doubt true that the appellants have acquired some right in the mark as a result of their continued user from 1970. But it is well-established that such*

right based on user can legally be interfered with by registration of the mark in favour of another if he makes out a case for registration of the trade mark. Both in the application and in the counter statement filed by the applicants, they had set out the intention to use the trade mark and this is prima facie evidence. The said intention as set out in the application for registration cannot be said to have been abandoned merely because of the non-user of the trade mark by them subsequent to the date of the application. As already stated the applicants' explanation is that as the registration of the mark has been opposed, they are awaiting the final conclusion of these proceedings. In my view the adoption and user of the trade mark by the appellants subsequent to the date of the applicant's application for registration with or without the knowledge of the earlier adoption of the mark by the applicants, will not by itself, entitle them to oppose the registration sought for earlier. The appellants have taken the risk in using the mark without making proper enquiries as to whether anyone else had adopted the mark and had applied for registration of the same. The applicants have filed an application under Section 18 claiming to be the proprietors of the trade mark and to have definite and present intention to use the mark have better rights than the appellants who, without due care adopted and used a similar mark. Subsequent use by the appellants of the same trade mark cannot militate against or take away the rights acquired by the applicants on the date of their application by virtue of Section 18(1).

25. Even otherwise, an application for registration could be rejected by the Registrar only on certain stated grounds. In this case the applicants have established their entitlement for registration by showing that they were the first to adopt the mark and to propose to use the mark in connection with the goods as set out in the application. If such subsequent adoption and user by another is taken as a ground for rejection of an earlier application for registration, then section 18(1) which enables a person to apply for registration of a mark proposed to be used by him will be rendered practically nugatory. The right to have a mark registered under Section 18(1) by a person devising and proposing to use it can in all cases be defeated by an unscrupulous rival trader coming to know of the mark proposed to be registered and using the same before the mark is actually registered and putting forward opposition to the application for registration on the ground of his user of the mark. In my view once an application for registration of a mark is made by a person who has proposed to use a mark devised by him, all persons who happen to use that mark there- after bonafide or not, will only be taking a risk and therefore, their user cannot stand in the way of the applicant's prosecuting his application for registration.

xxx *xxx* *xxx*

28. The learned author has taken note of Section 23 of the Act which say that when an application for a trade mark is ordered, the mark shall be registered as on the date of making the said application and the date of the application shall be deemed to be the date of registration. If the statutory rights conferred by registration would accrue from the date of registration, then the rights of parties have to be decided only with reference to the date of application for registration.

xxx *xxx* *xxx*

31. I do not see how the above observations will help them. It is no doubt true that it is incumbent on an applicant for registration of a trade mark to establish that he is the proprietor of the trade mark and that he has either used or proposed to use the same. As the opponents in this case have not made an assertion of earlier proprietorship, and they claim to have acquired a proprietary interest in the mark only by subsequent user, the claim of the applicants for registration cannot in any sense, be said to be not well founded. If the rights of parties have to be decided with reference to the date of the application for registration, then the subsequent adoption and user by the opponents is of no consequence. It is true, as pointed out by a Full Bench in Gaw Ken Lye v. Saw Kyone Saing MANU/RA/0126/1939 : A.I.R. 1939 Rangoon 343, as between two competitors who are each desirous of adopting a mark which is distinctive in character, it is, to use the familiar language, entirely a question of who gets there first and the one who started using the mark first should be protected. But that principle will not apply to cases of registration of trade marks under Section 18 which permits a person claiming proprietary interest and proposing to use the mark, without actually using the same. If the principle of "who enters the field first" is adopted for purpose of registration, then Section 18 enabling a person proposing to use a trade mark to apply for registration will be meaningless, as any person using that mark subsequently can easily defeat the earlier application for such registration."

40. The ratio laid down in ***Mohan Goldwater*** *(supra)* was followed by this Court in ***Enterprises Pvt. Ltd.*** *(supra)* and the relevant paragraphs are reproduced hereunder:

9. The petitioner is the first to adopt use of the trade mark 'MOLTY', having used the same in Pakistan at least since 1981 and having registered the same in Pakistan in the year 1990. Even in so far as India is concerned, the

petitioner is first to adopt the trade mark 'MOLTY', having adopted the same on 04.09.1997…

10 . The respondent no.1, based in Jammu and Kashmir claims to have been incorporated on 25.04.1995. Though respondent no.1 claims to have adopted the registered trade mark 'MOLTY' on 01.04.1995 and to have been using the same since then, no document(s) qua user of the same has been furnished to substantiate its claim of such prior adoption and/ or alleged use thereof since 1995 in India.

11. The oldest document produced by respondent no.1 is an Invoice dated 14.05.1998, which is only subsequent to the date of adoption, i.e. 04.09.1997 of the trade mark 'MOLTY' by the petitioner in India. Also, the year wise sale figures filed by respondent no.1 are only pertaining to the later period between 2006-07 to 2012-13, subsequent to the petitioner's registration of the said trade mark. In any event, the said Invoice is without the impugned registered trade mark 'MOLTY' said to belong to the respondent no.1 but with other trade mark(s) 'Classic', 'Champion', 'Janta' therein.

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20. Then relying upon Mohan Goldwater Breweries vs. Khoday Distilleries MANU/TN/0555/1976 : 1977 IPLR Vol. I83, Plus Systems, Inc. and Visa International Service Association vs. Plus Computer Systems MANU/IC/0001/2008 : MIPR 2008 (3) 105, Sun Pharmaceutical Industries Limited vs. CIPLA Limited MANU/MH/0162/2007 : 2007 (34) PTC 481 (Bom), Drums Food International Pvt. Ltd. vs. Euro Ice Cream and another MANU/MH/0836/2011, he submitted that as per settled law actual, use is not necessary, an intention to use and registration of the trade mark is sufficient for acquisition of proprietary right in a trade mark, which is also indicated by the language of Section 18 of the Trade Marks Act, 1999.

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31. In any event, since the petitioner had filed an application for registration of its mark 'MOLTY' (word) way back on 04.09.1997 in Class 20 clearly reflects that it had an interest/ intention for using the same within India. A reading of Section 18 of the Act bears that the applicant claiming to be a proprietor of a trade mark can apply if it is being used or if it is proposed to be used. Thereby meaning, an actual use is not necessary to acquire proprietary right in a trade mark and the mere proposal/ intention of such use and applying for the same is sufficient. As such, the actual use of the mark 'MOLTY' by the petitioner was/ is not necessary and

the application for registration thereof by it reflects a proposal/ intention to use the said mark 'MOLTY' is sufficient for acquisition of proprietary right thereto. In view thereof, the fact that the petitioner filed an application for registration of the mark 'MOLTY' in its name before the Trade Mark Registry, New Delhi is sufficient. This Court finds able support in Mohan Goldwater Breweries (supra), Plus Systems, Inc. (supra), Sun Pharmaceutical Industries Limited (supra) and Drums Food International (supra).”

41. It is also relevant to quote para 105 and 106 of the judgment in ***Kabushiki Kaisha*** *(supra)*, which is reproduced hereunder:-

“105. The Defendant's argument overlooks a critical aspect of trademark law, wherein the act of registration, particularly when filed on a proposed-to-be-used basis, establishes prior use in legal terms from the date of application. Section 18 of the Trade Marks Act 1958 clarifies the eligibility for trademark registration. It states that any person who is actually using a trademark, or intends to use a trademark, can apply for registration. Crucially, this provision indicates that physical or actual use is not a prerequisite for acquiring proprietary rights in a trademark. Merely the intention to use and register the trademark is sufficient to establish these rights. This legislative framework ensures that even if a trademark is registered on a proposed-to-be-used basis, it carries the same legal weight as one already in use concerning the establishment of priority and enforcement of rights.

106. Section 33 of Trade Marks Act 1958 sets the framework for determining the priority of trademark rights. Section 33(a) articulates that the rights of a trademark user take precedence over others if their use of the mark commenced prior to another party's use of a similar mark for identical goods. Critically, Section 33(b) clarifies that if a trademark is registered, the rights of the registrant are considered to commence from the date of the application. This distinction is crucial as it does not necessitate the start of actual commercial use or the completion of the registration process for the rights to take effect. Thus, the priority hinges on the date of application rather than commencement of commercial use. This principle is underscored by the judgments in Drums Food International Pvt. Ltd. vs. Euro Ice Cream and Ors., MANU/MH/0836/2011 and Radico Khaitan Ltd. v. M/s. Devans Modern Breweries Ltd., MANU/DE/0866/2019 : 2019:DHC:1423 delivered in the context of Section 34 of the Trademarks Act, 1999, which is pari materia to Section 33 of Trade Marks Act 1958. In these judgments, the Courts emphasized that rights established by the application for registration suffice to claim seniority, irrespective of actual

use. The rationale here is that registration itself, particularly on a proposed- to-be-used basis, constructs a legal presumption of use from the date of application, thereby anchoring the registrant's prior rights.

42. It is also relevant to quote para 6.6, 13, 16 and 17 of the judgment in ***Reckitt and Coleman*** *(supra)* which is reproduced hereunder:-

"6.6 Since the invoices submitted by Respondent No. 1 are subsequent to the date of application for registration of the Impugned Mark i.e., 26.02.1999, the same are liable to be ignored for the present proceedings. Thus, Respondent No.1 has failed to establish concurrent use of the Impugned Mark. Further, Respondent No. 2's reliance on the alleged 25 years of use of the Impugned Mark is entirely misplaced and contrary to law. Any use made of the Impugned Mark after the date of Application for registration of the Impugned Mark is completely irrelevant, immaterial and should be ignored as has been held in Mohan Goldwater Breweries (Private) Ltd. v. Khoday Distillerie Pvt. Ltd., 1977 IPLR 83; Charak Pharmaceuticals v. M.J. Exports Pvt. Ltd., 1993 IPLR 39 (Bom DB). The Appellant had opposed the Application for registration of the Impugned Mark in 2003, when the same was advertised in the Trade Marks Journal. The fact that Respondent No. 2 has taken 20 years to decide the Opposition proceedings cannot be a ground for prejudicing the Appellant and conferring long use to the benefit of the Respondent.

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13. Respondent No. 1 had a responsibility to carry out due diligence before adoption of the Impugned Mark. A mere search on the Register of Trade Marks would have revealed the existence of the Appellant's Mark on the Register of Trade Marks. Before adoption of a Mark it is the duty of the proprietor of the Mark to carry out a search of the Register of Trade Marks as has been held in Bal Pharma (supra) and Devans Modern Breweries (supra). It is a settled position of law that a stricter approach has to be adopted by courts while judging the likelihood of confusion between the two competing Marks in respect of pharmaceutical products as has been held in Cadila Healthcare Limited (supra). In public interest, there cannot be two medicinal preparations bearing the same name from different sources and with different compositions as has been held in Milmet Of tho Industries (supra). The addition of a descriptive word 'DECA' does not make the Impugned Mark dissimilar to the Appellant's Mark as has held been by the Supreme Court in Kaviraj Pandit (supra) and Ruston & Hornsby Ltd. (supra).

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16. In the present case, there is no cavil that the date of filing the Application for the registration of the Appellant's Mark is prior in time to the date of filing of the application for the registration of the Impugned Mark. Therefore, the Appellant's Mark is clearly the earlier Trade Mark in accordance with the provisions of Section 11 of the Act.

17. Further, Section 11(1) of the Act provides that a Trade Mark will not be registered, if there exists a likelihood of confusion on the part of the public because of its identity or similarity to an earlier Trade Mark. Therefore, for the purpose of deciding whether the Impugned Mark is identical or deceptively similar to the prior registered Appellant's Mark, Respondent No. 2 ought to have considered whether the Appellant's Mark constitutes an earlier Trade Mark in accordance with the provisions of Section 11 of the Act."

43. It is also relevant to reproduce para 18 of the judgement of the Bombay High Court in ***Drums Food International Pvt. Ltd. vs Euro Ice Cream & Ors.*** reported in ***MANU/MH/0836/2011***:-

"18. Mr. Tulzapurkar referred to a judgment of a learned single Judge of this Court in Cluett Peabody & Co. Inc. v. Arrow Apparels 1998 PTC 18. The facts in that judgment were entirely different. There, the Plaintiffs had failed to use the mark for a period of 35 years. The learned Judge observed that delay by itself is no defence, but where by reason of non-user for almost 30 years the mark loses its distinctiveness or if it drops out of use in the trade or the mark is allowed to die for non-user, then certainly delay in the context of the above facts provides a very strong defence for refusing an injunction in favour of the Plaintiffs. It is in these circumstances that the rights flowing from registration were not given effect to. It is, however, important to note that it was also held in paragraph 27:

27.(i) The test as to "who gets it there first" is not applicable in cases where registration is sought under Section 18 (Page 26 of Narayanan)."

44. Thus, in view of the overwhelming law clearly laid down in the aforesaid judgments that when two entities apply for a similar, identical or a deceptively similar mark, that too on a "proposed to be used" basis, under the provisions of the Section 18 of the Act, subsequent use of the marks applied for by one of the parties would not enure to its benefit in any manner and such

prior use in the eyes of law shall be inconsequential. Thus, the only firm conclusion in such circumstances is that the senior adopter would oust the junior adopter for the purposes of registration under section 18 of the Act. It is pertinent to extract Section 18 of the Act hereunder:-

> ***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.*

45. It would be incongruous to assume that as between two similar marks seeking registration on 'proposed to be used' basis, Section 18 of the Act would envisage two different situations, one for the applicant who would wait for the actual registration without using such mark and, the other, who, in the interregnum commences use of its mark without waiting for actual registration. If such situation is acceded to, then unscrupulous applicants would use such incongruity to oust the senior adopter/applicant from valid

registration. Provisions of law cannot be read in a manner so as to defeat the aim of the Section or the Act itself. This would also be in consonance and conformity with Section 18 of the Act.

46. Applying the settled propositions, it is clear that the respondent no.2 had applied for registration of mark "20-20" on 29.09.2007, while the appellant had applied on 04.10.2007, thus, undeniably making respondent no.2 the senior/prior adopter of the said mark. Consequently, the putting to use of the mark '20-20' by the appellant while manufacturing goods from the year 2009 would also be rendered inconsequential in terms of the aforesaid ratio which, in the considered opinion of this Court, is squarely applicable to the present case.

47. The law as it stands today, has not been varied or tinkered with till date commencing from the judgment of the Madras High Court in ***Mohan Goldwater*** *(supra)* persuading this Court to disagree with the contentions raised by the appellant. Merely for the reason that it has taken 17 long years for the respondent no.2 to establish its claim for registration of the mark '20-20' and in the meanwhile appellant had commenced its manufacture and use of the trade mark '20-20', will not, *ipso facto*, give any special benefit or treatment to the appellant and applying provisions of Section 18 of the Act, it is clear that such user will not come in the way of the respondent no.2 getting its mark registered. Clearly, Section 18 of the Act, does not postulate two different dates of registration, i.e., one for those who waited till registration and other for those who commenced manufacturing in the interregnum while the application was under consideration.

48. It would be relevant to note the stand taken by the appellant in response to the objections raised by the Trade Marks Registry *vide* the Examination Report dated 24.06.2008. To appreciate the controversy, it would be appropriate to extract hereunder the Examination Report and the reply dated 01.08.2008 submitted by the appellant, which reads thus:-

Examination Report dated 24.06.2008:-

> *"...Gentlemen/Madam,*
> *1. The above mentioned application has been examined under the provisions of Trade Mark Act, 1999 and Trade Mark Rules, 2002 and the trade mark applied for is open to objection on absolute grounds under section 9 for reasons indicated below:*
> *THE MARK CONSISTS OF NUMERALS IS NOT DISTINCTIVE.*
> *2. The Trade Mark application is open to objection on relative grounds of refusal under section 11 of the Act because the same/similar trade mark(s) is/are already on record of the register for the same or similar goods/services. The detail of same/similar trade marks is enclosed herewith*
> *Save as provided in Sec.12, a trade mark shall not be registered if, because of its identity with an earlier trade mark and similarity of goods or services covered by; the trade mark; or*
> *Hence, the anova application is liable to be refused. Accordingly, you are requested to submit your responses/submissions, if any, alongwith supporting documents, within One Month from the date of receipt of this Examination Report or you may apply for a hearing.*
> *Please Note that if no reply is received or a request for a hearing is applied for within the above mentioned stipulated time, the said application shall be treated to have been abandoned for lack of prosecution under Section 132 of the Trade Marks Act, 1999 and there after the status of application in the computer database shall reflect the factual position."*

Reply to the Examination Report:-

> *"...We are in receipt of the Examination Report No. U- 2829 dated July 2, 2008 pertaining to the above noted application.*
>
> *In reply to the examination report, we submit as under,*
>
> ***Regarding paragraph 1 (objection under Section 9)***
> *We submit that though the mark applied for, consists of numerals,* ***it is inherently distinctive for the reason that the said numerals do not serve in***

the trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods in question. In the given case, the mark applied for, taken as a whole, is inherently of a distinctive character, in as much as, it is capable of distinguishing the goods in respect of which the applicants are seeking registration thereof.

Regarding paragraph 2 (objection under Section 11)
We submit that no earlier mark has been cited in the report. In the absence of any earlier mark having been cited in the report, the objection raised under Section 11(1) is not maintainable. The mark applied for, is visually, phonetically and conceptually different from the pending marks cited in the report. In order to overcome the objection raised under Section 11 of the Act, applicants are prepared to restrict the specification of goods to 'Biscuits' only.

In view of the above, you are requested to waive the objections and accept the application for advertisement in the Journal…"

(emphasis supplied)

49. On a perusal of the aforesaid statements it is clear that in order to overcome the objections under Sections 9 and 11 of the Act, the appellant had clearly stated that the rival marks are phonetically, visually and conceptually distinct from one and another and also stated that it would restrict its applicability of the mark '20-20' to Biscuits only. If that is so, it is beyond comprehension as to how the very same appellant who obtained registration of mark '20-20' in its favour, is now contending that the mark '20-20' of the respondent no.2 is deceptively similar and cannot be registered on the ground that (i) the appellant is a prior user of the mark '20-20' and (ii) the mark of respondent no.2 is identical or deceptively similar to that of the appellant. This is a classic case of a party approbating and reprobating at the same time. This is impermissible in law. Such a stand was repelled and rejected by this Court in ***Radico Khaitan*** *(supra)*.

50. In view of the aforesaid clear enunciation of law and the admitted facts which have arisen in this case, the reference to Sections 9, 11, 34 of the Act and the grounds urged thereon by Mr. J. Sai Deepak, learned senior counsel is rendered inconsequential. Equally, the reliance upon the commentaries of ***McArthy*** and ***Kerly*** also do not come to the rescue of the appellant. The closest judgment which can be considered, if at all, is the ***Jacob's case*** rendered by the Court of Appeals. However, it is to be noted that the gentleman Jacob, though had a mark "Iodent" registered in his name for a particular territory, yet did not protest or take any action in accordance with law against the rival company Iodent Chemical Co., which entered into the territory for which Jacob was the registrant. This was the reason why the Court of Appeals did not extend the protection of the Trade Marks Act to ***Jacob's case***.

51. In contradistinction, in the present case respondent no.2 had consistently been pursuing its application for the mark '20-20' right from the year 2007 till the year 2025 when it was finally registered. From the facts which have been brought on record and have been noted by this Court in the preceding paragraphs, it is abundantly clear that respondent no.2 was not just consistent but also vigilant in pursuing and processing its application to the logical conclusion. In that context too, merely because appellant had commenced manufacturing of goods using the mark '20-20' prior to the respondent no.2 as also getting prior registration, will not come in the way of or preclude respondent no.2 from asserting its right and the mark '20-20' being registered in its favour. Thus, the ratio in ***Jacob's case*** would not enure to the benefit of the appellant.

52. So far as the ground of the impugned order being non speaking or lacks appropriate reasons and merely records that registration can be granted to respondent no.2 as it is the senior adopter, suffice that this Court as an appellate forum has examined all the relevant aspects and has come to a firm conclusion as above, thus, there is no need to remit the matter back to the Registrar for re-consideration.

53. *Ergo,* this Court has found no merit in the contentions of the appellant and accordingly is of the opinion that the appeal needs to be and is indeed dismissed. However, no order as to costs.

54. Pending applications stand disposed of.

TUSHAR RAO GEDELA
(JUDGE)

MARCH 10, 2026
rl