



## Supreme Court clarifies that likelihood of confusion is to be presumed in infringement actions involving double identity

Tanya Kukade and Aparna Gaur

Nishith Desai Associates

07 March 2022



### INDIA

Legal updates: case law analysis and intelligence

- In cases falling under Section 29(3)(c) of the act, a likelihood of confusion is to be presumed
- Reputation need only be established where the marks are identical but the goods/services are completely distinct
- The court recalled the conditions that must be met to avail of Section 30(1), which provides exceptions to infringement

In [Renaissance Hotel Holdings Inc v B Vijaya Sai](#) (2022 SCC OnLine SC 61, 19 January 2022) the Supreme Court has held that, in an infringement action, the plaintiff need not establish whether its mark has a reputation and the court need not assess whether the infringement is likely to cause confusion once it has been established that the parties' marks and the goods/services at issue are identical.

### Background

The appellant, a company incorporated in the United States, is the proprietor of the trademark RENAISSANCE, registered in India in Classes 16 and 42 in relation to hotel, restaurant, catering, bar, cocktail lounge, fitness club and spa services, among others. The respondents operate two hotels in Bangalore and Puttaparthi under the mark SAI RENAISSANCE ('the impugned mark').

The appellant filed suit before the trial court, seeking a decree of permanent injunction to restrain the respondents from using the impugned mark or any other trademark identical to the appellant's mark, and claiming damages.

The trial court restrained the respondents from using the impugned mark, any other mark incorporating the appellant's mark and any deceptively similar mark, as well as the domain name 'sairenaissance.com'. However, the trial court rejected the claim for damages. The appellant appealed to the High Court of Karnataka.

The High Court reversed the decree of injunction granted by the trial court, holding that the appellant had failed to establish that its mark had reputation in India. The respondents' use of the impugned mark was honest and thus fell within the exceptions to infringement provided under Section 30 of the Trademark Act 1999. Relying on Section 29(4)(c) of the act in isolation, the court found that no confusion was likely to be created in the minds of consumers, as the class of consumers targeted by the respondents' mark was totally different to that targeted by the appellant's mark.

An appeal was filed before the Supreme Court.

### Supreme Court decision

The Supreme Court held the High Court has erred in its decisions for the following reasons:

1. Under Section 29(2) of the act, a trademark is infringed if (a) the defendant uses an identical mark for similar goods or services; (b) the defendant uses a similar mark for identical goods or services; or (c) the defendant uses an identical mark for identical goods or services, which is likely to cause confusion. The Supreme Court further noted that Section 29(3) of the act clarifies that, in cases falling under (c), a likelihood of confusion is to be presumed.
2. The reputation of the trademark in question only needs to be established in an infringement action based on Section 29(4) of the act if the marks are identical but the goods or services are completely distinct.
3. In the present case, the respondent was providing similar services under the impugned mark. Therefore, Section 29(4) of the act was not applicable since the matter was covered under Section 29(2), which does not require a showing of reputation.
4. To avail of Section 30(1) of the act, which provides exceptions to infringement, two conditions must be met: (i) use of the impugned trademark must be in accordance with honest practices in industrial or commercial matters, and (ii) such use is not such as to take unfair advantage of, or be detrimental to, the distinctive character or repute of the registered trademark. The High Court had not considered whether the respondents' use was in accordance with honest practices and only considered the second condition. The High Court had thus erred in its decision.

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## Tanya Kukade

Author

Nishith Desai Associates

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## Aparna Gaur

Author

[aparna.gaur@nishithdesai.com](mailto:aparna.gaur@nishithdesai.com)

Nishith Desai Associates