

IN THE HIGH COURT OF JUDICATURE AT BOMBAY**ORDINARY ORIGINAL CIVIL JURISDICTION****CHAMBER SUMMONS NO.780 OF 2015****IN****SUIT NO.2518 OF 2010**

M/s. Aerolite Industries & Ors. .. Applicants

In the matter of :

Hachette Filipachchi Presse .. Plaintiffs

V/s.

M/s. Aerolite Industries & Ors. .. Defendants

Dr. V.V. Tulzapurkar, Senior Advocate, along with Mr. R.H. Gajria, instructed by M/s. Gajria & Co., for the Plaintiffs.

Mr. Ashish Kamath, instructed by Krishna Saurastri Associates, for the Defendants.

CORAM : S.J. KATHAWALLA, J.

Date : 26th June 2015

P.C.

1. By this Chamber Summons, Defendant Nos.1, 2 and 4 ("the Defendants") seek amendments to their Written Statement. The same is opposed by the Plaintiffs.
2. Mr. Kamat, counsel appearing for the Defendants states that the proposed amendments seek to : (i) amplify the stand taken in the Defendants' Written Statement qua registrability of the Plaintiff's trademark ELLE ("Plaintiffs' mark"); (ii) assert that the Plaintiffs' mark

is descriptive of the Plaintiffs' magazine, and as such, the Plaintiffs' registrations are illegal and wrongful; and (iii) bring on record the fact of filing of rectification applications by the Defendants before the Intellectual Property Appellate Board ("IPAB"). As such, the proposed amendments are in no manner inconsistent with the stand in the Written Statement but only seeks to amplify the same and bring subsequent events (of filing of the rectification application) on record. The proposed amendments are therefore, relevant and germane, and deserve to be granted.

3. In support of his submissions, Mr. Kamat has taken me through the Written Statement, more particularly, paragraphs 6 and 11 (i) and (j) and has submitted that the Defendants have already taken a stand that the Plaintiffs' mark "ELLE" means "She"; the Plaintiff is using the same on magazines catering to females; and as such, the Plaintiffs' mark is descriptive and incapable of acquiring distinctiveness. The Defendants have further disputed and denied the Plaintiffs' registrations. As such, the proposed amendments are consistent with the case pleaded in the Written Statement and only seeks to amplify the same.
4. Mr. Kamat then submits that in any event and without prejudice, the Defendants have a statutory right on a composite reading of Sections 9, 47 and 57 of the Trademarks Act, 1999 ("the Act") to contend that the Plaintiffs' registrations are illegal and in violation of Section 9 of

the Act; the Defendants are entitled to apply for rectification thereof; and this is a relevant factor which is required to be brought on record by the Defendants by amending the Written Statement. Considering that the trial in the present suit has not yet commenced, the Defendants are well within their rights to amend their Written Statement.

5. In support of his submissions, Mr. Kamat has relied on the judgment in the matter of *Baldev Singh & Ors. v. Manohar Singh* reported in (2006) 6 SCC 498. Reliance has been placed upon paragraphs 14 to 17 of this judgment to submit that a more liberal approach is to be taken for allowing an application for amendment of the Written Statement; even if there was any admission, the same could be explained; and even inconsistencies could be raised in the Written Statement.
6. Mr. Kamat, thereafter, relies on the judgment in the matter of *Rajesh Kumar Aggarwal & Ors. v. K.K. Modi & Ors.*¹ and submits that the merits or correctness of the case pleaded in the proposed amendments is not to be gone into by the court, whilst considering the grant of amendments.
7. Mr. Kamat then submits that though issues have been framed, however, the affidavit of evidence has not yet been filed. Hence, trial has not yet commenced and the proposed amendments cannot be

1 AIR 2006 SC 1647 (paragraph 13)

termed as post trial amendments. In support of this submission, Mr. Kamat has relied upon the judgment of the Supreme Court in the case of *Viyabai & Ors. v. Padmalatha & Anr.*² and the Division Bench of this Court in the matter of *Mahadeo Maruti Bhanje v. Balaji Shivaji Pathade* reported in 2012(5) Bom. C.R. 777, where after considering the entire line of judgments of the Supreme Court, it has been held that trial in a civil suit commences from the date of filing of affidavits in lieu of examination in chief of witnesses.

8. In reply, Dr. Tulzapurkar, senior counsel appearing for the Plaintiffs whilst opposing the Chamber Summons has contended that the proposed amendment would amount to taking away of an admission in favour of the Plaintiffs, and on this ground, was not liable to be allowed. Dr. Tulzapurkar submits that through the plaint, the Defendants were at notice of the Plaintiffs' registration, and still did not challenge the validity thereof for several years. As regards the contentions raised in paragraphs 11(i) and (j) of the Defendants' Written Statement, Dr. Tulzapurkar submits that whilst the Defendants have disputed and denied the Plaintiffs' foreign registration, they have not taken this stand qua the Plaintiffs' Indian registration and as such, are deemed to have accepted the validity thereof. They are therefore, not entitled to withdraw from this position. In support of his submission, Dr. Tulzapurkar has relied upon : the judgment of the Supreme Court in the case of *M/s. Modi Spinning and Weaving Mills Co.*

2 AIR 2009 SC 1433 (paragraphs 8 to 12)

*Ltd. & Anr. v. M/s. Ladha Ram and Co.*³ and the Single Judge and Division Bench judgments of this Court in the case of *Rasiklal Manikchand Dhariwal & Ors. v. Kishore Washwani* reported in 2005 (2) Mh. L.J. 611 (paragraphs 14 to 20) and the unreported judgment dated 3rd May 2005.

9. Even otherwise, Dr. Tulzapurkar submits that the proposed amendment would be inconsistent with the case pleaded in the Written Statement and is belated. In view of Section 124 of the Act, it was not open for the Defendants to have filed the rectification applications during the pendency of the present suit and without obtaining the leave of the court.
10. In rejoinder, Mr. Kamat reiterates that there is no admission on the part of the Defendants qua the Plaintiffs' registrations and/or registrability of the Plaintiffs' mark. There cannot be any admission in the face of a statutory provision containing an absolute embargo on registration of the trademark viz. Section 9 of the Act. Further, Section 124 does not provide for obtaining leave from this court prior to applying for rectification of a trademark during the pendency of a suit. In absence of any provision for grant of leave or the Defendants requiring to obtain leave, there is no question of the Defendants being required to obtain leave before applying for rectification.

3 (1976) 4 SCC 320 (paragraphs 7 and 9)

11. With the assistance of counsel on both sides, I have considered the rival contentions and the Chamber Summons and the reply thereto.
12. As regards the issue whether the amendments sought are after commencement of trial, in the instant case, it is undisputed that the affidavit in lieu of evidence has not yet been filed. The Division Bench of this court in the case of Mahadeo Maruti Bhanje (*supra*) has held that trial in a civil suit commences from the date of filing of the affidavits in lieu of examination in chief of witnesses. This has undisputedly not happened, and as such, the proposed amendments cannot be termed as commencement of trial.
13. As regards Dr. Tulzapurkar's contention that the proposed amendments take away an admission in favour of the Plaintiffs, I am unable to agree with or accept the same. The Defendants have in the Written Statement (paragraphs 6, 11 (i) and (j)) have stated that the Plaintiffs' mark ELLE means 'She' in the French language and as such, is descriptive and suggestive of the Plaintiffs' goods (feminine magazine), and therefore, the Defendants have disputed and denied the Plaintiffs' registrations. When the Written Statement is read as a whole, there is no warrant or justification to restrict the dispute and denial raised by the Defendants qua only the Plaintiffs' foreign registrations and not the Indian registrations. This is more so, since, the ground of objection to the Plaintiffs' registration remains constant viz. that the Plaintiffs' trademark is descriptive and/or suggestive of

the Plaintiffs' goods and is incapable of distinguishing the same. I therefore, do not find any admission in the Defendants' Written Statement qua the registrability and registrations of the Plaintiffs' mark.

14. For yet another reason, the Plaintiffs' objection is liable to be rejected. Section 9(1) of the Act provides Absolute grounds for refusal of registration, that is trademarks which are devoid of distinctive character or which designate the kind or quality of goods. If a particular trademark is violative of Section 9 of the Act, there cannot be any admission of validity of the registration thereof in the face of a statutory embargo. I therefore, do not find any merit in the contention that the Defendants have admitted the registrability of Plaintiffs' mark or the validity of the Plaintiffs' registrations. In this context, it is relevant to note that the Supreme Court in paragraph 14 of Baldev Singh's case (*supra*) has also held that even admissions are capable of being explained by amendments.
15. As regards not taking of leave from this Court prior to filing the rectification applications, Sections 47 and 57 entitle a person aggrieved to make an application to the Registrar or the IPAB for cancelling and/or varying the registration of a trademark. There is therefore, a statutory right available to the Defendants to apply for rectification. The Defendants have exercised the same by filing their rectification applications before the IPAB. On a perusal of Section 124

of the Act, I do not find there being any provision for seeking leave from the court before whom a suit for infringement is pending, before filing a rectification application. In absence of any provision for grant of leave, the question of the Defendants applying for or this court granting leave does not arise.

16. As regards Dr. Tulzapurkar's reliance on Section 124(1)(ii), in my view Section 124 (1) (ii) is only an enabling provision entitling the court (upon being satisfied of the prima facie tenability of the plea of invalidity of registration) to grant time for a party concerned to apply to the IPAB for rectification of register. There is no requirement on a party to apply for leave or obtain prior leave for applying for rectification of the register before the IPAB - which is a statutory right under the Act.
17. In any event, the issue of the merits or validity of the Defendants' rectification applications will be considered by the IPAB. Similarly, the merits of the case raised in the proposed amendments are liable to be considered at the stage of final hearing of the suit. The Defendants' however, cannot be precluded from raising the same by the proposed amendments. In this regard, the ratio of the Supreme Court decision in Rajesh Kumar Aggarwal's case (*supra*) is relevant and binding, in as much as the merits and correctness of the proposed amendments are not to be gone at the stage of allowing of the amendments.

18. As regards the last argument of Dr. Tulzapurkar that the proposed amendments should not be granted on account of delay and laches, it is settled law that mere delay and laches are not sufficient grounds to refuse leave to amend. In any event, I do not find the present amendment application to be belated or afflicted by laches. There is no delay between the making of the rectification applications and the filing of the amendment application. Further, the proposed amendments only amplify the stand taken in the Written Statement qua registrability of the Plaintiffs' mark and validity of the Plaintiffs' registration. Further, in view of Section 124 of the Act, the filing of a rectification application is a relevant fact. Thus, the amendments also seek to bring on record subsequent and relevant facts.
19. Considering the aforesaid and the fact that amendments to Written Statement are to be more liberally granted, I am of the view that the Chamber Summons seeking leave to amend the Written Statement deserves to be allowed.
20. In the circumstances aforesaid, the Chamber Summons is made absolute in terms of prayer (a) which is reproduced hereunder:

“(a) the Defendant Nos. 1, 2 & 4 be permitted to amend the Written Statement as per the Schedule annexed hereto and all other consequential and incidental amendments thereto be allowed.”

The Defendants to amend the Written Statement on or before 15th July, 2015 and forward a copy thereof to the Plaintiffs' within a period of two weeks from the receipt of this order. There shall be no order as to costs.

(S.J. KATHAWALLA, J.)