

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 05.04.2019

CORAM

THE HONOURABLE Mrs. JUSTICE PUSHPA SATHYANARAYANA

W.P.No.5759 of 2016
& WMP No.5088 of 2016

D.Baskaran,
Proprietor of M/s.Vaalarmathi Traders,
Old No.14, New No.10, Poonthottam Street,
Kamarajar Salai,
Madurai-625 009. ... Petitioner

Vs.

1. The Deputy Registrar of Trade Marks,
Intellectual Property Office Building,
GST Road, Guindy,
Chennai-600 032.
2. The Registrar of Trade Marks,
Boudhik Sampada Bhawan,
Next to Antop Hill, Head Post Office,
S.M.Road, Antop Hill,
Mumbai 400 037. ... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Mandamus direct the first respondent, the appropriate authority to receive the petitioner's renewal application dated 15.12.2015 for renewing the Trade Mark "TAJMAHAL" Indian Pappad registered under No.1077334 in Class 30 and renew the same in accordance with due process of law.

For Petitioner : Mr.K.Rajasekaran

For Respondents: Mr.G.Karthikeyan
Assistant Solicitor General of India

O R D E R

The prayer in the writ petition is to direct the first respondent, the appropriate authority to receive the

petitioner's renewal application dated 15.12.2015 for renewing the Trade Mark "TAJMAHAL" Indian Pappad registered under No.1077334 in Class 30 and renew the same in accordance with due process of law.

2. The petitioner firm is engaged in the business of manufacturing, marketing and exporting pappads and had adopted the trade mark 'TAJMAHAL' for their products. The said trade mark has been used by them continuously and extensively from 01.04.1970 and had attained a high reputation and turnover. The petitioner's trade mark TAJMAHAL was advertised in the Trade Mark Journal dated 16.08.1982. However, it was not renewed and the same lapsed. Later, after the petitioner took over the firm from his mother in 1985 and became the sole proprietor of the firm, he changed the design of the label and applied for registration of the changed trade mark TAJMAHAL Indian Pappad on 01.02.2002 by Application No.1077334 in class 30 for the revised label TAJMAHAL claiming to be using the same from 01.04.1985. The same was accepted and published in the Trade Mark Journal on 15.03.2006 and the registration certificate was issued on 19.02.2007.

3. The petitioner found out the infringement of goods of Pappad sold in Kwait identical to his Trade Mark "TAJMAHAL" during October 2014, and therefore, sent a notice on 10.10.2014 to the infringer through his attorney. Only while receiving the reply notice from the infringer, the petitioner learnt that the Register No.1077334 was not renewed within time. The said Trade Mark Registration Certificate dated 01.02.2002 was issued only on 19.02.2007 and he was told that the Trade Mark has to be renewed after 10 years. However, the website of the Trade Mark Registry www.ipindia.nic.in reflected the status of the Trade Mark TAJMAHAL Indian Pappad as "registered", and only on verification, it was learnt that the Trade Mark was not renewed and the petitioner was asked to submit a copy of the renewal intimation/registration certificate/extract of the journal, wherein, the application was advertised with registration charges, etc.

4. Thereafter, a fresh application for renewal of the trade mark was made on 15.12.2015, but the Registrar of the first respondent refused to receive the application, as the last date for filing the renewal application expired on 31.01.2013, that is, the registration of the mark should be treated from the date of application on 01.02.2002, the registration is for ten years and may then be renewed for a period of another ten years within one year of the expiry of the certificate term. Hence, this petition.

5. It is submitted by the learned counsel that though the website showed the status for the petitioner's trade mark as "registered", the respondent, for all practical purposes, had treated the mark as "removed" thereby refusing to accept the renewal application of the petitioner. Therefore, it was contended that the Trade Mark Registry ought not to have refused to receive the application for renewal of the mark, when the status is reflected only as "registered".

6. It is also alleged that the notice of the renewal by the Trade Mark Registry under Section 25(3) of the Trade Mark Act, 1999 (in short "the Act") was not received by the petitioner in Form O-3, that is, the first respondent has not issued the notice, which they ought to have issued. Hence, due to the inaction on the part of the authorities in not issuing the statutory and mandatory notice, the petitioner is put to loss and unable to renew the trade mark and the alleged expiry of the trade mark is adversely affecting the petitioner. Learned counsel for the petitioner placed his reliance on Union of India V. Malhotra Book Depot, 2012 (49) PTC 354 (Del.).

7. Heard the learned counsel on either side and perused the materials available on record.

8. A reading of Section 25(3) of the Act, which provides for sending of notice, prescribes the removal of trade mark only at the expiration of the time prescribed in the notice. The conditions required therein to be filled have not been complied with, the removal can be done. In the counter-affidavit in paragraph 11, the receipt of the renewal request made by the petitioner as per Trade Mark Rules, 2002, is denied and it is further stated that as per their electronic data base record the Form O-3 notice as contemplated under Section 25(3) of the Act has been generated and sent and a copy of the data base record of the renewal entry module was also produced to evidence the compliance of the statutory provision. The said notice was stoutly denied by the learned counsel for the petitioner as it is only a computer generated automatic data base and there is absolutely no proof of having dispatched the same to reach it to the petitioner.

9. It is to be stated that as per Section 25 of the Act, the notice must have been sent at a date not less than one month and not more than three months before the expiration of the last registration of the trade mark as prescribed under Rule 64 of the Rules. From the above, it is clear that the removal of the mark from the register can be made only subject to the sending of the notice in the prescribed manner calling upon the registered owner of the mark to apply for renewal of the same

and only upon the failure of the owner of the mark to comply with the requirements mentioned therein and not merely on the failure of the registered owner/proprietor to apply for renewal within the time. If the statute prescribes a procedure, the same has to be followed scrupulously. In this regard, paragraph 14 of the judgment of the Delhi High Court in Malhotra Book Depot (cited supra) is relevant, where, the emphasis is laid on the following procedure step by step in the following manner :

"14. The Supreme Court, though in the context of a Rent Legislation, in E. Palanisamy Vs. Palanisamy (2003) 1 SCC 123 reiterated in Sarla Goel V. Kishan Chand (2009) 7 SCC 658, emphasized the importance of following the statutory procedure step by step and held an earlier step to be a precondition for the next step and it being impermissible to straightaway jump to the last step. It was further held that the last step can come only after the earlier step has been taken. The Trade Marks Act is an Act for the benefit of the proprietors of trademarks (refer Thukral Mechanical Works v. P.M.Diesels Pvt. Ltd. (2009) 2 SCC 768). When the Act itself has prescribed the procedure for removal, we do not find any justification for holding the said procedure to be not mandatory or not binding on the Registrar or to uphold the removal even if such procedure is not followed. We are here concerned with the legislative interpretation and cannot be guided by the consequences as argued by the counsel for the appellants, which may follow as a result of the said interpretation. Where the statute is clear, the Court has to give effect to the right created and should not restrict that right merely in order to minimize litigation. It has been held in Coal India Ltd. v. Saroj Kumar Mishra (2007) 9 SCC 625 that legislative interpretation cannot be rejected merely for the reason of opening the floodgates of applications or litigations"

10. In the instant case, in the absence of any material to show that the notice of Form O-3 was issued to the petitioner, the authority could not have removed the name of the petitioner for want of renewal within the prescribed time. After removal comes the question of what would be the effect of the removal from the register without the procedure being followed.

11. Section 25(4) of the Act makes the period of one year for restoration of the mark to the register and renewal thereafter from the expiration of the last registration and not the removal of the name. Admittedly, in this case, the expiration of the last registration was on 01.10.2012 and adding the period of one year to it, it would be 01.02.2013, which

would be the last date for application under Section 25(4) of the Act, whereas, admittedly the application for renewal was made only on 15.12.2015. Hence, it was contended by the learned counsel for the respondents that the application is out of time.

12. Interestingly, in this case, it is claimed by the petitioner's that their trade mark had not been removed after the expiry of the time. Rule 65 of the Trade Marks Rules, 2002 (in short, "the Rules") mandates that if, at the expiration of last registration of a trade mark, the renewal fees had not paid, the Registrar may remove the trade mark from the register and advertise the fact forthwith in the Journal. The respondents have not stated neither in the counter nor before this Court that they have removed the trade mark of the petitioner from the register and published the same in the Journal. In fact, The respondents, who have a statutory and mandatory requirement to issue notice under Form O-3 and after removal publish the same in the Journal, also had not performed their statutory duty. Therefore, the restoration is possible only after the removal of the trade mark. The restoration and renewal of registration is provided in Rule 66 of the Rules. When the removal of the mark has not categorically demonstrated by the respondents in this case, it would only be deemed that the renewal of registration alone is pending. For the renewal of registration, admittedly, Form O-3 was not issued to the petitioner. Therefore, the act of the Registrar in not receiving the application for renewal is incorrect.

13. Against the refusal of the receipt of the registration form, normally, it is open to the petitioner only to go before the Intellectual Property Appellate Board, which will be the appellate authority. However, since in this case, the mandatory provision of issuing the notice in Form O-3 has not been followed, it breaches the statutory duty. It is to be stated that mere expiration of the registration by lapse of time and also the failure of not renewing the same by the proprietor of the trade mark do not take away the right of the ownership over the trade mark resulting in removal of the same from the register, in the absence of compliance of the mandatory procedure prescribed under Section 25 of the Act read with Rules 64 and 66 of the Rules.

14. In the above peculiar circumstances, though it is argued that there is no period of limitation prescribed either in the Act or in the Rules for restoration of the trade mark, in this case, only the renewal is sought for by the petitioner of his registered trade mark. As the renewal is not possible without the statutory notice being issued by the respondents, this Court is of the opinion that the following directions could be issued to the respondents :

- (i).The second respondent is directed to issue the notice in compliance of Section 25(3) of the Act in Form O-3 ;
- (ii).On receipt of such notice, the petitioner is directed to comply with the conditions stipulated therein and make prescribed fee for renewal of the trade mark.
- (iii).Once there is proper compliance of Form O-3 notice, the Registrar is directed to receive the application and consider the same on the merits of the case and pass appropriate orders as the Registrar may deem fit and proceed with the matter in accordance with law.

15. With the above directions, the writ petition is disposed of. There will be no order as to costs. Consequently, W.M.P.No.5088 of 2016 is closed.

Sd/-

Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

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To

1. The Deputy Registrar of Trade Marks,
Intellectual Property Office Building,
GST Road, Guindy,
Chennai-600 032.
2. The Registrar of Trade Marks,
Boudhik Sampada Bhawan,
Next to Antop Hill, Head Post Office,
S.M.Road, Antop Hill,
Mumbai 400 037.

+1 cc to Mr.g.Karthikeyan, Advocate, Sr.No. 33834

+1 cc to Mr.K.Rajasekaran, Advocate, Sr.No. 33547

VG-II(CO)
CSL/07.05.2019

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