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

Date of decision: 21.01.2019

+ **W.P.(C) 7983/2012 & CM APPL. 19969/2012**

M/S KHUSHI RAM BEHARI LAL Petitioner
Through: Mr. Ajay Amitabh Suman, Mr.
Pankaj Kumar, Mr. Kapil Kumar and
Mr. Vinay Kumar Shukla, Advocates.

versus

M/S JASWANT SINGH BALWANT SINGH Respondent
Through: None.

CORAM:

HON'BLE MR. JUSTICE SURESH KUMAR KAIT

J U D G M E N T (O R A L)

1. Vide the present petition, the petitioner has challenged the order dated 18.05.2012 passed by the Intellectual Property Appellate Board (hereinafter referred to as "the Appellate Board"), whereby the appeal filed by the petitioner has been dismissed.
2. Brief facts of the case are that the petitioner, a partnership firm trading as M/s Khushi Ram Behari Lal (Export Division) comprising of three partners which was established in the year 1978 and has been carrying on the business of processing, marketing and exporting of rice since then.

The trademark TRAIN BRAND WITH DEVICE OF TRAIN (herein after referred to as the subject matter Trade Mark) in relation to said goods and business and has been continuously using the same since then up to the present time. The petitioner firm was taken over as a going concern including Trade Mark and other assets and properties by M/s. Khushi Ram Behari Lal Ltd. with effect from 1.4.1996 under an agreement. Subsequently, the name of M/s. Khushi Ram Behari Lal Ltd. changed to be M/s. KRBL Ltd. by taking due steps. The partners of the petitioner firm happens to the directors of the incorporated company which as on date is carrying on the said business under the subject matter trademarks, hence the petitioner and its successors name changed to M/s. KRBL Ltd. The petitioner in order to acquire statutory rights for the subject matter trademark filed an application for its registration under application no. 609141 in class 30 of the IVth Schedule of the Trade & Merchandise Marks Act, 1958 before the Registrar of Trade Marks on 11.10.1993. The Trade Marks Registry was pleased to advertise this subject matter trade mark in Trade Marks Journal No. 1224 dated 01.06.2000. The respondent filed notice of opposition on 24.07.2000 objecting to the registration of the said Trade Mark in favour of the petitioner on the grounds *inter alia* that the respondent

is engaged in the business of Rice under the Trade Mark “TRAIN”.

3. After considering the rival contentions of the parties, the learned Registrar vide its order dated 12.10.2006 dismissed the Form TM-16 dated 17.02.2006 filed by the petitioner and allowed the opposition of the respondent and refused the application for registration of the subject matter trademark under no. 609141 in Class 30.

4. Being aggrieved the petitioner approached the Appellate Board by filing appeal bearing No. OA/05/2007/TM/DEL and the same was dismissed by the impugned order dated 18.5.2012.

5. The case of the petitioner before the Appellate Board was as under:

“A. The Order of the Assistant Registrar is contrary to the law and the facts of the case. The Assistant Registrar has failed to appreciate that the documents filed /relied on by the opponents/respondents are forged and fabricated, inter-alia, on the following grounds:-

i) Exhibit 37 of the alleged invoices filed by the above respondent shows telephone number which are different from Exhibit 43 both filed before the Registrar. The discrepancy in the telephone number is for the same period in the alleged invoices for the same calendar year and therefore the documents filed by the respondent are doctored and forged.

ii) Similarly, in Exhibit No. 5 (invoice dated 08.05.1985); exhibit No. 14 (invoice dated 14.03.1987); Exhibit No. 28 (invoice dated 16.08.1995); Exhibit No. 29 (invoice dated 23.08.1995) and Exhibit 30 (invoice dated 07.10.1997) the

impugned trade mark TRAIN brand depicted on the bills do not correspond to the goods for which it is registered viz. rice. It is alleged that the respondents have imprinted the same on the impugned bills at one go without taking into consideration the description of the article/goods mentioned thereon. It is further alleged that all the invoices filed by the respondent were prepared prior to 1988 when the trade mark application was still pending and not registered.

iii) It is further alleged that the various invoices filed by the respondent before the Registrar from 1985 to 2002 is based on the signature of the same person (at the place of the seller) which is highly improbable and the impugned bills appear to have been prepared at the same time at one go. Further, for the period, 1995-2002, trade mark application registered under No. 405933 is missing on the invoices.

iv) It is also alleged that the Rice License No., Sales Tax License and R.D. No. of the respondent and C.S.T. No. are varying on the impugned invoices.

v) The respondents are allegedly engaged in the impugned business of rice since 1978. However, the bills/invoices pertaining for the period 1985-1987 bears C.S.T. No. 01.07.1957 and STL No. dated 28.03.1949. From this, it is clear that the bills and invoices filed by the respondents are forged.

vi) It is further alleged that the sale transaction never occurred in as much as most of the invoices do not bear the signature of the buyer even though the signatures of the sellers is present throughout.

vii) It is further stated that the bills tendered do not bear the complete address of the purchaser.

A. The Assistant Registrar also erred in accepting the objections raised under Section 11 of the Act by the respondent and reached the wrong conclusion that the respondent herein is the prior user of the impugned trade mark without verifying the documents filed by the respondent which are forged and fabricated and cannot be relied on. The Assistant Registrar has failed to appreciate the special circumstances in favour of the applicant/appellant under Section 12 and he has further failed to give due consideration to the honest adoption and concurrent user of the applicant/appellants mark since April 1990. The Assistant Registrar was also wrong in rejecting the request in Form-16 dated 17.02.2006 filed by the applicant/appellant. The applicant/appellant states that they qualify for registration of the mark and are also entitled to the benefit of the Section 12 of the Trade Marks Act. It is further alleged that the order of the Assistant Registrar suffers from non-application of mind and he exercised his discretion for irrelevant and extraneous consideration. In the interest of justice the present appeal be allowed and the applicant/appellant pray that the order of the Assistant Registrar should be quashed/set aside and application No. 609141 in class 30 should proceed to registration.

6. Whereas the case of the respondent was as under:

- 1) One Shri Anil Kumar Mittal, Shri Arun Kumar Gupta and Shri Anoop Kumar Gupta trading as M/s Khushiram Behari Lal applied for the registration of a trade mark consisting of the word and device of 'TRAIN' in respect of rice in class 30 claiming the use of the said mark since August, 1991. The application was made on 11.10.1993 under No. 609141.*
- 2) The said trade mark was advertised in trade mark Journal No. 1224 dated 01.06.2000 which was promptly opposed by the respondent/opponent herein.*
- 3) After the filing of respective evidence by both the parties, the matter was listed for hearing on 07.06.2004 and it was*

adjourned from time to time and fixed for final hearing on 26.02.2006.

4) Just five days before the date of final hearing, a request on Form TM-16 for amending the use/user was suddenly made by the applicant/appellant after a gap of almost six years from the date of publication of the impugned trade mark. Even this was filed by another entity M/s Khushiram Behari Lal Limited.

5) The respondent herein objected to the request of TM-16 in his comments dated 23.02.2006.

6) The hearing was consequently adjourned and finally heard on 03.04.2006. Both the parties have argued the matter before the Assistant Registrar.

7) The respondent had pleaded before the Assistant Registrar to reject the impugned application outright as the applicant had failed to establish entitlement to trade mark.

8) It is the case of the respondent that impugned trade mark "TRAIN" is identical to and in respect of same description of goods as the respondents registered the trade mark No. 405 933 in Class 30.

9) The Respondent have also secured copyright registration for the artistic label comprising the word & device of the trade mark under No.A-44877/84.

10) The Registrar had rightly refused the impugned trade mark as it is hit by Section 9 & 11 of the Act.

4. It is further stated that since the respondent's right to the registered trade mark under No. 405933 in Class 30 extends to all cognate Class of goods, the Registrar had rightly allowed the opposition and the identical trade mark under No. 609141 was correctly refused.

5. The respondent state that the present appeal is not maintainable. Since the appellant firm M/s Khushiram Behari Lal Limited had assigned all the rights relating to the trade mark and goodwill in favour of M/s Khushi Ram Behari Lal Limited by virtue of assignment dated 01.04.1996, the appellant/applicant has no locus standi to file this appeal as the impugned application under No. 609141 no longer belongs to them.

6. Another preliminary objection is that the applicant/appellant have not furnished a copy of the assignment agreement to the respondent for scrutiny.

7. The present appeal is liable to be dismissed in view of the filing of the different documents by different persons at different stages of these proceedings and making different and contradictory claims as detailed below:-

a) Application No. 609141 dated 11.10.1993 was filed by 'ANIL KUMAR MITTAL, ARUN KUMAR GUPTA and ANOOP KUMAR GUPTA trading as a partnership firm of "M/s KHUSHIRAM BEHARILAL" (as appeared in the Trade Marks Journal No. 1224 dated 01.06.2000);

b) The counter-statement dated 19.06.2001 has been filed by 'ANIL KUMAR MITTAL, ARUN KUMAR GUPTA and ANOOP KUMAR GUPTA', trading as, being the partners of "M/S KHUSHIRAM BEHARILAL (EXPORT DIVISION)";

c) "KHUSHIRAM BEHARILAL (EXPORT DIVISION)" is alleged in turn to have been taken over by "M/S KHUSHI RAM BEHARI LAL LIMITED" by virtue of execution of an Agreement dated 01.04.1996, followed by a petition in Form TM-16 dated 30.11.1999 and as stated vide paragraph 4 of the aforesaid counter-statement as well as vide paragraph 2 of an affidavit dated 07.10.2002;

d) The Affidavit dated 07.10.2002 has been filed by "Mr.

Anil Kumar Mittal” in support of application and in his capacity as a “Managing Director” of ‘KRBL LIMITED’.

A few export invoices filed by the applicant/appellant in respect of the impugned application are subsequent to the crucial date of filing i.e. 11.10.1993 and also by different firms and such evidence have been rightly declined and refused by the hearing officer.

9. No cogent documentary evidence has been filed by the appellant/applicant in support of the various exaggerated claim based on false and contradictory statement as to the user and proprietorship of the impugned identical trade mark at different stages of the opposition proceeding. The appellant/applicant, therefore, lacks bonafide as also honesty and locus standi to file the present appeal.

10. Learned Asst. Registrar has rightly refused this impugned application in accordance with the various provisions of law and as per materials available on record.

7. After considering the case of the parties, the learned Appellate Board opined as under:

“31. Obviously, the opponent/respondent are in the rice trade and have been alert enough to oppose the impugned mark at the first available opportunity. We agree with the applicant that many of the bill/invoices furnished by the opponent are prima facie suspicious. But how does that improve the prospect of securing the applicant the registration of the impugned mark? This is not a case where the validity of the opponent’s registered trade mark is in issue. This Board is meant for imparting justice between the parties. One who comes to us must come with a clean hand. The Assistant Registrar who heard the matter has come to the conclusion that the applicants are not and cannot be the proprietor of the impugned trade mark. He has also ruled that they are not

entitled to the benefit Section 12. The respondent/opponent have adopted and registered the impugned mark prior in point of time. The Assistant Registrar has ruled that concurrent use of the mark would result in likelihood of confusion. It is not the case of the applicant that the first use in commerce of their mark is prior to the respondent/opponent. The Assistant Registrar has taken judicial notice that the impugned mark is confusingly similar and they do not qualify for registration under Section 12 of the Act. From the reading of the documents and pleading, we believe that the applicant/appellant are making an all out eleventh hour efforts to leapfrog into the register through the appellate route having failed to make the cut before the Assistant Registrar. Adopting an identical mark for same goods in the same class is a high risk crime and even the best case scenario so ably put forward by the Learned Counsel for the applicant/appellant at the hearing cannot save either the applicant or his application. Who can deny that there will be total confusion in the market if the applicants trade mark is allowed to co-exist on the register? This Board will do its best to discourage illicit commerce by use of such tainted mark. Making concession under Section 12 which is essentially meant for a public purpose in respect of the impugned mark is totally unwarranted giving rise to the misgivings and would erode the legislative intent for which it was engrafted in the Act. On a totality of the case, we have no reasons to interfere with the findings of the Assistant Registrar. Once we come to this conclusion, all other incidental grounds vigorously raised both by the appellant (dubious supporting documents) and the respondent including (complicated ownership history of the appellant trade mark which passed through several hands) need not be gone into at length and in finer details to sort out unresolved conundrums and acknowledged disconnect as these do not materially alter the factual position of the case. This is the gist of what can be

extrapolated from the voluminous case record. The appeal is accordingly dismissed with cost of ₹. 5,000/- to be paid to the opponent / respondent herein.”

8. Since none was appearing on behalf of the respondent from the last two consecutive dates and same was the position on 28.11.2018, this Court notified the present petition for hearing with the observation that if none appears on behalf of the respondent on the next date of hearing, this Court shall proceed with the matter in his absence. Today also none appeared on behalf of the respondent. Finding no alternative, this Court has proceeded to decide the petition.
9. It is pertinent to mention here that in para 18 of the Appellate Board it is recorded that the petitioner / appellant have raised a number of other doubts about the credential of the opponents evidence which would lead one to believe that the impugned mark has been wilfully refused by the Assistant Registrar. But that misses the basic flaw in the applicant's case. Accordingly, it is observed by the Appellate Board that no matter how much he may canvas, the fact of the matter is the opponents are already the registered proprietor of another trade mark under no. 405933 in Class 30 in respect of rice since 1983. Even if disregard the non-allowance of TM-16 ante dating user from 1991 to April 1990, records indicate that it was

opponent who first adopted the trade mark 'TRAIN' for basmati rice way back in 1983 which is at least seven years before the same mark for the same goods was adopted by the applicant.

10. It is apparent on perusal of the impugned order that the learned Appellate Board has ignored the fact that the said registration of the respondent was only for the word "TRAIN" and the same was registered as proposed in the use. The learned Board and the Registrar ignored the fact that the respondent tried to prove the user by forged and fabricated documents and the petitioner had already filed rectification petition against the said registration. The learned Board in para 22 of the impugned order gone to the extent that we cannot embrace the argument that because of the original registration of the respondents trade mark was purportedly obtained from wrongful means, the appellant should be allowed to proceed to registration.
11. However, Appellate Board heavily relied upon the said registration of the respondent. I note the learned Appellate Board has held in holding that the said subject Trade Mark under registration would cause confusion and deception among the general public and trade and is hit by Section 11 of the Trade Mark Act despite holding the same to be distinguishing the petitioner's case from others under Section 9 of the Trade Market Act, 1999.

12. As stated by the counsel for the petitioner that while deciding the objection under Section 11 of the Trade Mark Act, 1999, the competing trade mark are seen as a whole. The respondent's registration pertains to the word mark "TRAIN", whereas the petitioner's subject matter trademark is a label mark having several distinguishing features.
13. Learned Appellate Board also failed to appreciate that the petitioner subject matter trademark under registration has been in use for almost 22 years without any interruption and there has been no confusion and deception reported by the respondent. The respondent has positive knowledge of the use of the subject matter trademark by the petitioner since 1990. Thus, the Appellate Board ought to have been appreciated the special circumstances exists in favour of the petitioner for exercise of their discretion under Section 12 of the Act.
14. The learned Appellate Tribunal was also went wrong in holding the objection under Section 18 of the Act on the basis of alleged proprietary rights of the respondent in addition to their trade mark. They ought to have appreciated that the petitioner has filed sufficient documents over subject matter trademark.
15. Since the Appellate Board has recorded that the respondents have taken the

shelter of the bogus and forged documents based upon that itself the case of the petitioner could have been considered and decided in favour of the petitioner. However, the Appellate Board failed to appreciate the Act extensive and exclusive and continues user of the subject matter trade mark by the petitioner since its adoption and tremendous goodwill/reputation attached thereto. The goods of the petitioner bearing the subject matter trade mark is highly demanded not only in the domestic but also in international market viz. Reyadh, Dubai, Jeddah, Dammam, Saudi Arabia etc. on account of their superior quality, on the other hand the respondent is admittedly a dealer/commission agent based in Amritsar._

16. On perusal of Exhibit No. 37 (Invoice of respondent dated 26.07.2001) the telephone number of respondent has been shown as S-544401 and R-501493, whereas, on Exhibit No. 33 (calendar of the respondent pertaining to same year 2001), the telephone numbers of respondent has been shown as S-526401 and R-507295. This discrepancy has been ignored by the Appellate Board by their own reason without seeking comment of the respondent.
17. Moreover on perusal of Ex. No. 5 (Invoice dated 8.5.1985), Ex. 14 (Invoice dated 14.02.1987), Ex. No. 28 (Invoice dated 16.8.1995), Ex. No. 29

(Invoice dated 23.08.1995) and Ex. 30 (Invoice dated 7.10.1997) from the registered Trade Mark “TRAIN” brand is appearing on the impugned bills, the goods/items mentioned on the respective bills do not correspond to Rice. Thus, it seems that the impugned label of the respondent was imprinted on the impugned bills, in one go without taking into consideration the description of articles/goods mentioned thereon. For the aforesaid purpose, the Appellate Board observed that Exhibit P-1 filed by the respondent shows that the impugned registration No. 405933 under Clause 30 was granted to him against which the petitioner has only initiated the rectification petition in April, 2003.

18. It is pertinent to mention that the impugned invoice of the respondent bear the impugned copyrights application under no. 44877 as registered. For the period 1995-2002, the impugned trade mark application under No. 405933 is missing on the invoices. The device of the TRAIN brand is not the same on all the invoices.
19. However, the bill filed by the respondent pertaining to the year subsequent to 1988, clearly depicts the impugned application under No. 405933- not registered.
20. The various invoices filed by the respondent from 1985 to 2002 is based on

the signature of the same person (at the place of the seller) which is highly improbable and the impugned bills appear to have been prepared at the same time at one go. Further, for the period, 1995-2002, trade mark application registered under No. 405933 is missing on the invoices. The respondent has allegedly engaged in the impugned business of rice since 1978. However, the bills/invoices pertaining for the period 1985-1987 bears C.S.T. No. 01.07.1957 and STL No. dated 28.03.1949. From this, it is clear that the bills and invoices filed by the respondents are forged.

21. On perusal of the documents on record, I have no hesitation to say that the learned Appellate Board has relied on the Copy Right Registration of respondent under No. A44877/84. The Copy Right Registration of the art work of “TRAIN” brand is extraneous for the purpose of proving the use subject Trade Mark. The said Trade Mark under registration fulfils the requirement for registration as prescribed in Trade Marks Act, 1999. The application for registration is not hit by Section 9, 11 and 18 of the Act and without prejudice the petitioner is entitled to the benefit of Section 12 of the Act.
22. Moreover, on perusing page 209 of the present petition the respondent has traded in “husk” and on the said receipt “TRAIN” brand best quality rice is

also printed therein. At page 219 the respondent traded in sugar and on the invoice "TRAIN" brand best quality rice is also printed. At page 233 also the trading of the respondent is not rice, thus it cannot be established that the respondent has been trading in the Trade brand Rice.

23. To establish above, the scanned documents (page Nos. 209 & 219) are as under:-

Jaswant Singh Balwant Singh
Rice Dealers & Commission Agents
ਜਸਵੰਤ ਸਿੰਘ ਬਲਵੰਤ ਸਿੰਘ, ਦਫ਼ਤਰ ਚੜ੍ਹੀ ਰੋਡ, ਅੰਮ੍ਰਿਤਸਰ।
Factory : Tain Taran Road, AMRITSAR.
Dhab West/ Ram:
AMRITSAR. 6151 158 85

No. 103
Sold to M/s. Mahadev Jyoti
Rice L. No. S. T. L. No.

No. of Articles	Description	Weight Gm.	Kgs.	Rate P.	Amount P.
100	Wheat	50 00 00		50/1	3500-9

Total	3500-
Commission	1
Cost of Bags	
Sales Tax on Bags	
Labour Charges	
Total	3500-
Less	
Net amount recoverable	3500-

TRAIN BRAND
Registered No. 44877
T. M. No. 306622
BEST QUALITY RICE
JASWANT SINGH & BALWANT SINGH
AMRITSAR

1. Payment would be received according to this bill
2. Payment exceeding Rs. 200/-, If made to any person other than the Partner must be through crossed cheque.
3. Any dispute regarding this bill will be settled in Amritsar Courts.
4. Interest @ 18% per annum will be charged on this bill from the date of issue.

Broker Buyer

before the Supreme
Shangrila Food Produ
Scientific Company v. G

discussed and legal po
8.05.2012, passed by th

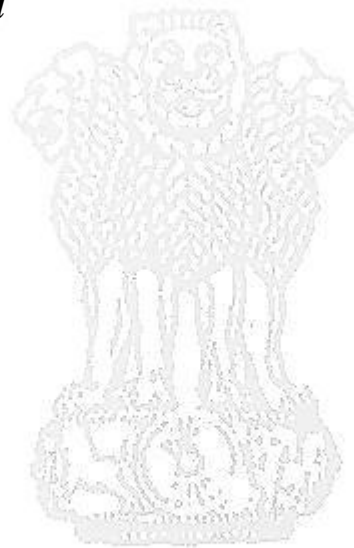
posed of in the aforesaid

CM APPL. 19969/2012

In view of the order passed in the present writ petition, this application has been rendered infructuous and is accordingly, disposed of as such.

**(SURESH KUMAR KAIT)
JUDGE**

JANUARY 21, 2019/gb/rd



न्यायमेव जयते