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*A.Nos.820 & 3342 of 2022
in C.S(Com.Div).No.10 of 2021*

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M.SUNDAR, J

This common order will now dispose of the captioned two applications.

2. In this order, parties shall be referred to by their respective ranks in the main suit for the sake of convenience and clarity. To be noted, there is a sole plaintiff and a lone defendant in the main suit.

3. Before advertng to the applications on hand, short facts shorn of elaboration qua the main suit is set out for the sake of better appreciation of this order. Main suit has been filed with prayers seeking reliefs for alleged infringement of plaintiff's registered Trade Mark 'AMBIKA'. It is the case of the plaintiff that it has multiple registrations qua 'AMBIKA' and five registrations viz., (i) AMBIKA (Registration No.560180), (ii) AMBIKA KARPOORAM (Registration No.840287), (iii) AMBIKA KARPOORAM (Registration No.840288), (iv) AMBIKA PURE KARPOORAM (Registration No.1059362) and (v) AMBIKA (Registration No.542696), all in Class 3 constitute the nucleus of the main suit; that it is the case of the plaintiff that it is user from 1978; that the plaintiff came across defendant's application



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published in the Trade Marks Journal some time in 2017; that the defendant issued cease and desist legal notice dated 11.02.2019; that cease and desist legal notice did not evince any reply; that the plaintiff caused another legal notice on 23.11.2019; that the defendant sent reply dated 26.12.2020; that it is to be noted that the product is Camphor; that the reply of the defendant broadly stated is predicated on Section 28(3) of 'the Trade Marks Act, 1999 [Act 47 of 1999]' (hereinafter 'TM Act' for the sake of convenience and clarity) besides saying that the defendant's mark AMBICA SHAKTI is distinguishable from plaintiff's mark AMBIKA; that the date of presentation of plaint is 30.04.2021 and the date of institution of suit is 28.06.2021; that prior to institution of suit, to be precise on 25.12.2020 [Plaint Document No.31] plaintiff had filed Rectification Application seeking rectification of defendant's Trade Mark; that the defendant on 15.02.2021 had filed five Rectification Applications [Plaint Document Nos.33 to 37] seeking rectification of five Trade Mark Registrations which constitute the nucleus of the main suit; that it is to be noted that these rectifications are before the jurisdictional Registrar of Trade Marks and that Rectification Applications are under Section 57 of TM Act; that in the main suit, pleadings are complete, admission and denial is



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underway; that this Commercial Division is informed that the plaintiff has filed affidavit of admission and denial and the defendant is yet to file its affidavit. It is not necessary to be detained by facts any further. In other words, it is not necessary to dilate further on facts owing to scope of the captioned applications now on hand.

4. Reverting to the captioned applications, 'A.No.820 of 2022' has been taken out by the defendant under Section 124 of TM Act with a prayer to stay all further proceedings in the main suit pending disposal of rectification proceedings before the Registrar of Trade Marks. This application shall be referred to as 'stay application' for the sake of convenience and clarity. 'A.No.3342 of 2022', which is a subsequent application has been taken out by the plaintiff with prayers to withdraw all aforementioned six Rectification Applications from the file of the Registrar of Trade Marks for being tried along with the captioned main suit. This application taken out by the defendant shall hereinafter be referred to as 'transfer application' for the sake of convenience and clarity. This transfer application has been taken out under Clause 13 of Letters Patent but learned counsel submitted in the hearing at the bar that he



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would be placing reliance on Section 24 of 'The Code of Civil Procedure, 1908 (Act 5 of 1908)' [hereinafter 'CPC' for the sake of brevity, convenience and clarity] and Article 227 of The Constitution of India.

5. In the aforesaid backdrop, Mr.A.Prasanna Venkat of M/s.APR Associates [Law Firm] for the plaintiff and Mr.P.Venkata Ramana, learned counsel representing the counsel on record Mr.V.Sivakumar for the lone defendant were before this Commercial Division.

6. Both the aforementioned learned counsel were heard out qua captioned applications.

7. As the stay application taken out by the defendant is prior in point of time, learned counsel for defendant was given right of audience and a broad summation of submissions made by learned counsel for defendant is as follows:

- (i) The transfer application is not maintainable as Clause 13 of Letters Patent, Section 24 of CPC and Article 227 of The Constitution of India talk about 'Court' and not about 'Tribunal'. It was also pointed out that post amending Act 33 of 2021 on and from 04.04.2021 definition of the term



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'Tribunal' vide Section 2(1)(ze) stands deleted in the TM Act and therefore, the Registrar of Trade Marks is not a Tribunal any more;

- (ii) If the transfer application prayer is acceded to, the defendant will loose one tier of statutory appeal as there is a provision for statutory appeal against the order of the Registrar under Section 91 of TM Act and this appeal lies to this Commercial Division;
- (iii) The plaintiff not having filed evidence in the Rectification Applications before the Registrar of Trade Marks cannot now be heard to contend that he needs to cross-examine the defendant and that would be available if the transfer prayer is acceded to.
- (iv) The prayer for stay under Section 124 of TM Act has to be acceded to as a sequitur, if the aforementioned submissions are accepted.

8. In response to the above submissions, the arguments of learned counsel for plaintiff in a nutshell are as follows:



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- (i) The transfer application is certainly maintainable as Clause 13 of Letters Patent and Article 227 of The Constitution of India are prior to the Tribunal era and therefore, it cannot be gainsaid that the term 'Tribunal' does not occur in these provisions;
- (ii) One tier of statutory appeal may go but still an appeal under Section 13 of the 'Commercial Courts Act, 2015 [Act 4 of 2016]' (hereinafter 'CCA' for the sake of brevity, convenience and clarity) is available;
- (iii) The Rectification Applications are filed Online and the evidence will now be uploaded as there appears to be some technical flaw and in any event, the plaintiff can always take recourse to Section 131 of TM Act for enlargement of time in this regard;
- (iv) If the proceedings in the main suit are stayed, expeditious disposal will be the casualty.

9. By way of reply, learned counsel for defendant reiterated his opening



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submissions and added that when the transfer application is not maintainable, it cannot be gainsaid that the prayer should be acceded to. It was also submitted that certain submissions made on the merits of the matter should be put aside for trial in the main suit and need not be examined at this stage qua the applications on hand. To be noted, in addition to the aforesaid submissions, learned counsel for plaintiff did argue that some of the invoices produced by the defendant are fake and therefore, evidence/cross-examination has become imperative. It was argued that invoices are the best form of evidence in cases of this nature and earlier the user stronger would be the case in a Trade Mark infringement suit and therefore, all these are significance.

10. This Commercial Division carefully considered the rival submissions. This Commercial Division now proceeds to discuss the rival submissions and give its dispositive reasoning in the paragraphs to follow i.e., *infra* in this order.

11. The first argument is on maintainability. In the course of the hearing, this Commercial Division put it to the learned counsel for defendant that Section 151 of CPC may save the day qua transfer application. In response it was contended by learned counsel that it is a matter of



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maintainability and exercise of powers under Section 151 of CPC which preserves the inherent powers of this Court and makes it clear that none of the provisions of CPC abridge the inherent powers of this Court would arise only if an application is maintainable. Be that as it may, as rightly pointed out by learned counsel for plaintiff, both Clause 13 of Letters Patent and Article 227 of The Constitution of India are prior in point of time qua Tribunals and therefore, the argument that these provisions do not talk about a Tribunal is very far fetched and hyper technical. As regards Section 24 of CPC, attention of this Court was drawn to 'other proceedings' but the issue is not other proceedings. The question is whether 'Registrar' would qualify as a 'Court'. Be that as it may, notwithstanding the position that the definition of 'Tribunal' under Section 2(1)(ze) of TM Act stands deleted from 04.04.2021 as that is prospective, on the dates of filing of the Applications for Rectification i.e., 25.12.2020 [Plaintiff's lone application] and 15.02.2021 [defendant's five applications] Registrar was a Tribunal. In this view of the matter, the argument that Trade Marks Registry is not a Tribunal does not hold water. In any event, the argument that Clause 13 is much prior in point of time qua Tribunals is also acceptable. The Registrar of Trade Marks Registry has all the



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trappings of a Tribunal nay even a Civil Court and therefore, this Commercial Division is of the considered view that the transfer application is maintainable. If the interpretation which learned counsel for defendant is persuading this Commercial Division to accept is sustained, it will mean that transfer of rectification application from erstwhile IPAB (Intellectual Property Appellate Board) is permissible but transfer from Registrar is impermissible. Such a anomalous situation can hardly by a reasonable reading of a statute. After all a statute has to be read in a manner that it gives meaning. However, whether the prayer has to be acceded to is another aspect of the matter, which will be considered infra.

12. Regarding the argument that one tier of appeal which is a statutory appeal is taken away, as would be evident from the rival submissions captured supra, there is no disputation or contestation that one tier is taken away. A statutory appeal is a right vested in a litigant by the Statute and that cannot be disturbed lightly. Courts in a long line of authorities has held that taking away one tier of such a right vested in a litigant by a Statute, more particularly a right of appeal is one where the Courts would be very slow to interfere. In the case on hand, the Rectification Applications were filed by the plaintiff much



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prior to the presentation of plaint in this Court and in any event the plaintiff by its own volition now submits that he would upload the evidence if necessary by taking recourse to Section 131 of TM Act. This means that on the facts and circumstances of the case on hand without generalising the principle, this would be a case where it would not be appropriate to interfere with one tier of appeal. That answers the first bone of contention.

13. It was contended by learned counsel for plaintiff that the disposal of captioned suit by this Commercial Division should be in conformity to orders relating to validity of Registration of Trade Mark in Rectification proceedings. This argument was predicated on Sub-section (4) of Section 124 of TM Act. This Commercial Division notices that the expression or term used in sub-section (4) of Section 124 is 'final order' as distinguishable from 'Order'. Therefore, it cannot be construed as an order made by a Original Authority i.e., Registrar of Trade Marks in the case on hand. As already alluded to elsewhere in this order, there is a provision for statutory appeal under Section 91 of TM Act.

14. As regards the provision under which the transfer application is to be considered, this Court has already delineated the position regarding



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maintainability. If the transfer application is maintainable, the question of whether it has to be acceded to has to be looked into. As this Commercial Division agrees with the submission of learned counsel for defendant that one tier of appeal cannot be taken away lightly considering the advanced stage of the Rectification Applications, the answer to the transfer application is in the negative.

15. The submissions made on the merits of the matter are those which have to be reserved for the main suit. For the purpose of completion of facts, it is necessary to record that an interim order has been granted by this Court in O.A.Nos.382 to 384 of 2021 on 10.12.2021 and the same has been modified on 07.02.2022 vide Application No.53 of 2022. This modified interim order is now operating. It is not necessary to go into granular details of the interim order and it will suffice to say that it has segregated operations based on territoriality. There are certain territorial restrictions, which have been put in place. Let both parties adhere to this interim order, which will continue.

16. Before concluding this Commercial Division reminds itself that the course that has to be adopted would be in tune and tandem with ***Shree Vardhman Rice and Gen Mills Vs. Amar Singh Chawalwala*** reported in



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(2009) 10 SCC 257 as that would ensure that there is expeditious disposal of this IPR matter. To be noted, the principle in *Vardhman* case is that IPR matters should be heard on day-to-day basis in any event there is nothing to demonstrate that the remedy before the Registrar of Trade Marks is not efficacious.

17. Sum sequitur of the narrative, discussion and dispositive reasoning is as follows:

a) Transfer application i.e., A.No.3342 of 2022 taken out by the plaintiff is dismissed;

b) The Registrar of Trade Marks, Chennai is requested to take up Application Nos.269960, 270336, 270337, 270338, 270339 and 270340 [six applications being Rectification Applications] and dispose of the same as expeditiously as the official business of Registrar would permit and in any event on or before 28.02.2023;

c) The stay application i.e., A.No.820 of 2022 taken out by the defendant is ordered as prayed for albeit by saying that there will be a stay for three(3) months post 28.02.2023 to enable the



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parties to come on appeal under Section 91 of TM Act, if so desired and if so advised;

d) If the above scenario unfurls though obvious it is made clear that it is open to the parties to make appropriate prayer for tagging of statutory appeals and captioned main suit i.e., till 31.05.2023.

18. Captioned applications disposed of on above terms and in the aforesaid manner. There shall be no order as to costs.

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