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A.No.4257 of 2022 in
C.S.(Comm.Div.)No.82 of 2022

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Reserved on	19.12.2022
Pronounced on	21.03.2023

C.SARAVANAN, J.

This application has been filed by the applicant/plaintiff seeking leave of the Court to initiate rectification proceedings to rectify the registered trademarks of the respondent/defendant as detailed below:-

Table No:1

S. No.	Application No.	Trademark Application details	Class/Description of goods
1.	1810193	TVS	Class 9 Cctv Cameras, Electronic Security Products, Cctv Dur, Durs, Digital Video Recorders, Speed Dome Cameras, Dome Cameras, Cctv Controller, Burglar Alarm Systems, Fire Alarms Systems, Access Control Systems, Alarms Accessories, Box Cameras, Ir Cctv Cameras, Day Night Cctv Cameras, Audio video Door Phones & Electronic Locks

2. The above trademark in TM.No.1810193 in class 9 is registered in favour of the respondent/defendant. M/s.Sundaram Clayton Ltd., a Sister Company/Group Company of the applicant/plaintiff has already filed application for rectification of the aforesaid registered trademark.



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3. In respect of the following two Trademark applications filed by the respondent/defendant, the applicant's/plaintiff's Sister Company/Group Company has initiated proceeding for opposing the proposed registration of the trademark applications.

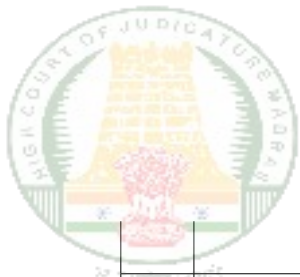
Table No:2

Sl. No.	Application Nos.	Trademark Application details	Class/Description of goods
1.	2207934	TVS	Class9: Cctv Security Products
2.	2255658	TVS Security	Class 9: Cctv Security Products

4. The facts on record indicate that the applicant/plaintiff is a registered proprietor of the word "TVS" in combination with the word "Electronics" and TVS(E) and with alphabet (E) etc., in various classes vide 31 Trademark applications. The respondent/defendant has initiated rectification proceedings under Section 57 of the Trade Marks Act ,1999 before the Registrar of Trademarks, New Delhi, for the Registrations obtained by the applicant/plaintiff, in respect of the following trademarks:

Table No:3

Sl. No.	Application No.	Trademark	Class	User detail	Status
1	4222374	TVS ELECTRONICS	9	31/12/1986	Rectification Filed
2	4054442	TVS	9	31/01/2004	Rectification



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3	4148043	ELECTRONICS GOLD	9	16/02/2005	Filed
		TVS-E			Registered

5. During the hearing, it was mentioned that a rectification proceeding against Application No.4324235 in Class 9 has also been filed. However, there is no averment to that effect. It is the case of the respondent/defendant that once the matter is already *sub judice* before the Registrar in the above registered Trademarks, no leave should be granted to the applicant/plaintiff to initiate fresh rectification proceedings at this stage. That apart, it is submitted that it would result in conflicting views.

6. Learned counsel for the applicant/plaintiff on the other hand has placed reliance on the decision of this Court rendered in **M/s.Apex Laboratories Pvt. Ltd., vs. M/s.Knoll Health Care Pvt. Ltd.**, dated 09.07.2021 in Application Nos.415 & 416 of 2021 in C.S.No.355 of 2020 wherein, while considering the application filed for rectification, this Court had observed as under:

"13. If rectification application is the stand alone litigation between the parties, it will be appropriate to say, the rectification application has to be filed before the High Court, where the office of the Registrar of Trademark, which granted registration, is located. But, when the rectification application is filed subsequent to the suit for infringement of trademark, to avoid conflicting decisions and multiplicity of proceedings, the Court competent to decide the rectification application shall be the Court where the suit for infringement of trademark already instituted.

14.In the instant case, both the plaintiff as well as the defendant claim that the registration granted to the other party is invalid. The plaintiff



has initiated suit for infringement of trademark, infringement of copy right and passing off. From the pleadings, the sparring parties have recorded their intention to challenge the validity of the registration granted to the other party through rectification application. The plaintiff's trademark "ZINCOVIT" is registered at the Office of Trademark Registrar, Chennai. The defendant's trademark "ZINCOVIT" is registered at the Office of the Trademark Registrar, New Delhi. When a composite suit is before this Court to decide about infringement of trademark, copyright suit is before this Court to decide about infringement of trademark, copyright and passing off, it may be before the Delhi High Court and the other application at Madras High court for the same rival trademarks.

*15. In the result, **Application No.415/2021 seeking leave to file rectification application is allowed.** The suit as well as the application for rectification are to be heard and decided by the same forum viz., High Court of Madras, where the suit for infringement is pending. Therefore, the need to say the suit proceedings does not arise. Hence, **Application No.416/2021 is closed.** No order as to costs."*

7. I have considered the arguments advanced by the learned counsel for the applicant/plaintiff and the learned counsel for the respondent/defendant.

8. The respondent/defendant had obtained registration in T.M.No.1810193 in class 9, in respect of which, admittedly, even according the applicant/plaintiff, the applicant's/plaintiff's Sister Company/Group Company has filed an application for rectification of the above said trademark as early as on 17.05.2017.

9. Under Section 57 of the Trade Marks Act, 1999, the jurisdiction for entertaining application for rectification of a registered trademark was earlier vested with the Intellectual Property Appellate Board [IPAB] and with the Registrar of Trademarks. However, in view of the amendment to the provisions of the Trade



Marks Act, 1999, by substituting the words "Intellectual Appellate Board" with "High Court" with effect from 04.04.2021 and view of its abolition, the jurisdiction is now vested with the High Court in place of IPAB. Ordinarily, the jurisdiction to entertain the application will be with the jurisdictional High Court within whom jurisdiction the Trademark is registered. However, Section 124 of the Trade Marks Act, 1999 read with Section 134 possess a special problem.

10. Section 124 of the Trade Marks Act, 1999 reads under:

"124. Stay of proceedings where the validity of registration of the trade mark is questioned, etc.—

(1) Where in any suit for infringement of a trade mark—

(a) the defendant pleads that registration of the plaintiff's trade mark is invalid; or

(b) the defendant raises a defence under clause (e) of sub-section (2) of section 30 and the plaintiff pleads the invalidity of registration of the defendant's trade mark,

the court trying the suit (hereinafter referred to as the court), shall,—

(i) if any proceedings for rectification of the register in relation to the plaintiff's or defendant's trade mark are pending before the Registrar or the High court, stay the suit pending the final disposal of such proceedings;

(ii) if no such proceedings are pending and the court is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is prima facie tenable, raise an issue regarding the same and adjourn the case for a period of three months from the date of the framing of the issue in order to enable the party concerned to apply to the High court for rectification of the register.

(2) If the party concerned proves to the court that he has made any such application as is referred to in clause (b) (ii) of sub-section (1) within the time specified therein or within such extended time as the court may for sufficient cause allow, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings.



(3) If no such application as aforesaid has been made within the time so specified or within such extended time as the court may allow, the issue as to the validity of the registration of the trade mark concerned shall be deemed to have been abandoned and the court shall proceed with the suit in regard to the other issues in the case.

(4) The final order made in any rectification proceedings referred to in sub-section (1) or sub-section (2) shall be binding upon the parties and the court shall dispose of the suit conformably to such order in so far as it relates to the issue as to the validity of the registration of the trade mark.

(5) The stay of a suit for the infringement of a trade mark under this section shall not preclude the court from making any interlocutory order (including any order granting an injunction directing account to be kept, appointing a receiver or attaching any property), during the period of the stay of the suit."

11. There are two situations contemplated under Section 124 of the Trade Marks Act, 1999, i.e., the defendant should either plead that the registration of the trademark of the plaintiff is invalid or the defendant raises a defence under Section 30(2)(e) of the Trade Marks Act, 1999 and the plaintiff pleads the invalidity of registration of the defendant's trademark.

12. If any of the above two situation arises, the Court trying the suit has to comply with the requirements of sub-clause (i) and (ii) to Section 124(1) of the Trade Marks Act, 1999. If any proceedings for rectification of the register in relation to the plaintiff's or defendant's trademark are pending before the Registrar or the High Court, the Court shall stay the suit pending the final disposal of suit proceeding. Admittedly, rival proceedings are pending before the jurisdictional Registrar of Trademarks at the behest of the applicant's/plaintiff's Sister Company and at the



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behest of the respondent/defendant as detailed in Table Nos.1 and 3, respectively.

Therefore, the present suit is liable to be stayed.

13. Sub-Clause (ii) to Section 124 (1) of the Trade Marks Act, 1999, applies to a situation where no such proceedings is pending, but the Court trying the suit is satisfied that the plea regarding the invalidity of the registration of the plaintiff's or defendant's trademark is *prima facie* tenable, in which case, the Court has to raise an issue regarding the same and adjourn the case for a period of three months from the date of framing of the issues in order to enable the party concerned to apply to the High Court for rectification of the Register.

14. Both the parties have filed several applications together with several documents. The orders have also been passed in some of the applications that were filed by the applicant/plaintiff. Though in the Court bundle, a reply statement of the applicant/plaintiff in form of rejoinder to the written statement filed by the respondent/defendant is available, the written statement of the respondent/defendant itself is not available. Therefore, question of entertaining rejoinder to the written statement filed by the respondent/defendant does not arise. Further, no leave has been obtained under Order VIII Rule 9 of C.P.C. by the applicant/plaintiff for filing the rejoinder to the written statement filed by the respondent/defendant.



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15. The question of Court exercising its power under sub-clause (ii) to Section 124(1) of the Trade Marks Act, 1999, would only arise if no proceedings are pending and the Court is satisfied with the plea regarding the invalidity of the registration of the plaintiff's or defendant's trade mark is *prima facie* tenable. There is no written statement of the respondent/defendant.

16. In this case, no issues have also been framed so far. Therefore, Section 124(1)(ii) of the Trade Marks Act, 1999, is not applicable to the facts of the case, as admittedly, the proceedings are already pending at the behest of the applicant's/plaintiff's Sister Company and at the behest of the respondent/defendant as detailed in Table Nos.1 and 3, respectively.

17. Considering the fact that already the proceedings are pending for rectification, the present suit has to be merely stayed as mentioned above pending disposal of the respective rectification applications that are pending before the jurisdictional Registrar of Trademarks.

18. Therefore, there is no question of granting a separate leave to the applicant/plaintiff to file one more application for rectification of the same trademark registered in favour of the respondent/defendant. Suffice to state, the present proceedings in the suit is liable to be stayed pending disposal of the rectification proceedings initiated by the parties against each other in terms of Section 124(1)(i)



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of the Trade Marks Act, 1999.

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19. The present dispute being a commercial dispute, the respondent/defendant is, however, directed to file written statement, if the same has not already been filed before the Registry. If the written statement was filed and returned, the same shall be re-presented within 30 days of this order with suitable application. In case, no written statement has been filed before the Registry, appropriate application shall be filed, fate of which, will have to be decided in the light of the decision of the Hon'ble Supreme Court in **S.C.G. Contracts (India) (P) Ltd., vs. K.S.Chamankar Infrastructure (P) Ltd.** reported in **2019 (12) SCC 210**.

20. In the light of the above, the reply statement which has been filed by the applicant/plaintiff also cannot be taken on file. Registry is therefore directed to return the reply statement filed by the applicant/plaintiff for being re-presented along with an application to receive the same under Order VIII Rule 9 of C.P.C. read with Order XIV Rule 8 of the O.S. Rules after the written statement of the respondent/defendant is available on record in the file of this Court.

21. In the result, the application filed seeking leave to initiate rectification proceedings is rejected.

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