



2024:DHC:1603



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

% Reserved on : 13th February, 2024

Pronounced on : 29th February, 2024

+ **C.A.(COMM.IPD-TM) 81/2022**

ITC LIMITED

..... Appellant

Through: Mr. Rajshekhar Rao, Sr. Advocate with
Mr. Afzal B. Khan and Mr. Debjyoti
Sarkar, Advocates.

versus

THE DEPUTY REGISTRAR OF TRADE MARKS AND ORS

..... Respondents

Through: Mr. Harish Vaidyanathan, CGSC with
Mr. Srish Kumar Mishra, Mr.
Alexander Mathai Paikaday, and Mr.
Krishnan V., Advocates for R-1 & 2.

Mr. Chander M. Lall, Sr. Adv. with
Mr. Kunal Khanna, Mr. Swastik
Bisarya, Ms. Yashi Agrawal and Mr.
Abhinav Bhalla, Advocates for R-3.

**CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL**

JUDGMENT

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1. This appeal has been filed under Trade Marks Act, 1999 ('**the Act**')
assailing impugned order dated 3rd January, 2018 under Rule 53 of the Trade



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Marks Rules, 2002 (**'2002 Rules'**), now Rule 48 of Trade Marks Rules, 2017, passed by the Registrar of Trademarks (**'Registrar'**) in Trademark Opposition No. Del-T-3509/60503 to Trademark Application No.589487 in Class 34.

Question for Consideration

2. The essential issue in the appeal pertains to rejection by the Registrar of the Interlocutory Petition filed by appellant to place on record further evidence under Rule 53 of the 2002 Rules in support of their opposition to trademark application filed by respondent no.3.

Chronology of Events

3. Respondent no.3 had filed an application on 28th January, 1993 for registration of trademark **'HERO'** device being represented as



(**'said application'**).

4. Examination report was issued by the Trademark Registry on 16th October, 1998 and said application was permitted to proceed for advertisement on 29th January, 2001. Said mark was published in Trade Marks Journal No. 1263 on 16th January, 2002 subsequent to which a notice of opposition was



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filed by the appellant (Form TM-5) on 11th April, 2002. A counter statement by respondent no.3 (Form TM-6) followed on 14th April, 2003. The appellant chose to file a letter dated 5th August, 2003, relying on facts and grounds stated in notice of opposition. *Vide* order dated 20th February 2004, the Assistant Registrar treated the opposition as abandoned for non-filing of evidence in support of opposition; however, cancelled the above order on 28th June, 2004 reinstating the said opposition and inviting respondent no.3 to file evidence in terms of Rule 51 of 2002 Rules. The evidence was then filed by respondent no.3 under Rule 51 on 18th November, 2004.

5. Interlocutory Petition was filed by the appellant on 23rd February, 2006 for taking on record the appellant's evidence in reply which was allowed on 14th May, 2007. Thereafter, no communication was received by the appellant regarding the hearing proceedings. In July, 2008 a request was made for change of address for service to appellant to '*S Majumdar & Co.* ', followed by letters dated 31st August, 2009 and 10th March, 2010 requesting the Registrar to pass appropriate orders at the earliest. However, as per the appellant, they were not informed of any proceedings.

6. On 15th November, 2012, appellant informed the Trade Marks Registry that pursuant to a file inspection, an order of 14th May, 2007 came to their attention which had allowed registration of respondent no.3's trademark as Application No.589487 in Class 34. An Interlocutory Petition was filed by the appellant for cancellation of the impugned trademark on 30th September, 2013 to which a reply was filed by respondent no.3 on 18th November, 2013.

7. After 2 further years, on 2nd November, 2015, appellant filed an



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interlocutory petition for taking on record further evidence under Rule 53 of 2002 Rules and an affidavit was filed of further evidence in support of the opposition.

8. Regarding the petition for cancellation of respondent no.3's registration, *vide* order dated 3rd November, 2015, the Registrar revoked the certificate of registration clearly premised on the basis that it had been granted inadvertently during the pendency of this opposition.

Impugned Order

9. Subsequently, by way of the impugned order, Interlocutory Petition for placing on record further evidence was disallowed. Impugned order partially records this sequence of events, adverts to Rule 53 of 2002 Rules and finds that the appellant's plea to place additional evidence, at this stage, cannot be allowed.

10. Factors which informed the opinion were: *firstly*, the last date of filing of evidence, as per Rules, would have been 1st October, 2003, but was filed on 2nd November 2015 after a long gap of 12 years; *secondly*, appellant had not filed any evidence in support of opposition under Rule 50(1) initially and opted to rely on contents of notice of opposition thereby having exhausted the said option; *thirdly*, Rule 53 was not intended to fill a gap, lacunae, or lapse on the part of either party; *fourthly*, Rule 53 may be invoked sparingly under peculiar circumstances by the Registrar in order to arrive at conclusion of a case during the adjudication of opposition proceedings; *fifthly*, by non-filing of evidence, if a legal right had been created in favour of the trademark



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applicant, same may not be displaced; *sixthly*, appellant had shown repeated failures in meeting the prescribed deadlines bearing out delaying tactics of the opposition proceedings; and *seventhly*, allowing the additional evidence would entitle the applicant to file further evidence as well, which would amount to repetition of entire opposition proceedings.

Submissions on behalf of the Appellant

11. Arguments on behalf of the appellant were addressed by Mr. Rajshekhar Rao, Senior Counsel whose challenge to the impugned order was based *inter alia* on the following points:

11.1 The Registrar was wrong to simply reject the application on the assumption that the delay of 12 years was attributable only to the appellant. The sequence of events was adverted to, to show that there was consistent and prolonged uncertainty in the trademark hearing proceedings before the Registry. *First*, the opposition was deemed as abandoned which was later reversed in 2004, then the evidence was filed thereafter in 2004 which was allowed later in 2007, and thereafter there was no information from the Registry regarding trademark proceedings. Once the appellant became aware of the registration of the mark in favour of respondent no.3, the petition for cancellation was moved in 2013 which was finally allowed in 2015. In this flow of events, additional evidence was filed in November, 2015 along with the application, once appellant became aware of registration of the mark in favour of respondent no.3. Thus, appellant was not aware about the status of the matter, there being no communication and only when in November, 2012



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the issue was revived, necessary steps were taken. Therefore, attributing the long gap of 12 years just to the appellant was not tenable.

11.2 Aside from Rule 50 and 52 which give limited window for evidence in support of the opposition, Rule 53 did not have any timelines, as was possibly intended by the legislature / rule making authority. Rule 53 was, therefore, a standalone provision, not coloured or curtailed by Rules 50, 51, or 52. For this, he placed reliance on the order of Single Judge dated 14th December, 2012 of this Court in W.P. (C) 7766/2012 titled as *Amrish Kumar Aggarwal v. Surinder Engineering Works and Ors.* and decision of Intellectual Property Appellate Board ('IPAB') in OA/2/2016/TM/DEL dated 5th February, 2018 titled *ITC v. Dy. Registrar of Trademarks and Indian Trading Corporation.*

11.3 The impugned order, in foreclosing the right of appellant for filing additional evidence, was technical in its reasoning, whereas the Hon'ble Supreme Court and other Courts have repeatedly held that procedure is merely a handmaid of justice. For this, he relied upon *Sugandhi (Dead) By Legal Representatives and Anr v. P. Rajkumar*, (2020) 10 SCC 706 and *Prabhu Shankar Agarwal v. Dy. Registrar of Trademarks and Ors.* passed by the IPAB in 2008 (36) PTC 627 (IPAB).

11.4 By precluding the appellant from placing additional evidence which supported their claim for prior user, Registrar was depriving itself of addressing the root of the dispute, the real issue in the controversy, on which the new documents would have shed light.

11.5 Impugned order ignored the fact that appellant is a large organization with multiple offices and, at the time of filing further evidence, documents



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were not digitised or traceable and retrieving the same took considerable time and effort. Therefore, a reasonable cause existed in favour of appellant for delayed filing. Further, documents sought to be placed on record were of year 1993 and not digitised which further made them difficult to be procured.

11.6 No prejudice was caused to respondent no.3, who is not using the subject mark in India till date, whereas the appellant's rights in their mark had improved and grown considerably.

11.7 Respondent no. 3 always could be given an opportunity to file documents in rebuttal to the additional evidence proposed to be filed and interest of justice would be secured in such a case.

11.8 The issue could not be slotted under the provision of Section 131 of the Act which could only be attracted when a statute prescribed a particular timeline. Additional evidence was proposed to be placed under Rule 53, therefore, there would be no application of Section 131(2) of the Act in particular (which disallowed any appeals from a decision of a Registrar in an application for extension).

Submissions on behalf of Respondent No.3

12. Arguments on behalf of respondent no.3 were addressed by Mr. Chander M. Lall, Senior Counsel who vehemently refuted the submissions of appellant and submitted as under:

12.1 At the outset, there was an issue of maintainability of the appeal. As per Section 131 of the Act, any application for extension of time for which timelines are not provided in the Act could be considered by the Registrar.



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However, as per Section 131(2) of the Act, no appeal could lie from that order (granting an extension of timelines) of the Registrar. Accordingly, considering that Rule 53 did not provide a timeline and more so, was not a provision in the Act but in 2002 Rules, any order by the Registrar rejecting the application for extension, was not appealable.

12.2 Appeals to the IPAB (now the High Court, post 2021) can be against an order or decision of the Registrar, however, in light of Section 131(2) of the Act, such an appeal would be excluded.

12.3 Time limits provided by the Act are strict and reference was made to Section 21:

- Section 21(1): ***four months*** to file opposition;
- Section 21(2): ***two months*** for counter statement, failing which application will be deemed to have been abandonment;
- Section 21(4): evidence to be submitted within a ***prescribed time***.

The said timelines were reflected in Rules 49, 50, 51 and 52 of the 2002 Rules. The strict timelines mandated both the trademark applicant and the opposer to comply therewith; in default of which, the application would deemed to have been abandoned.

12.4 Attention was drawn to the omission by appellant in filing any evidence in support of opposition at the first opportunity (and relying instead upon their notice of opposition in 2003); filing it later in 2004 under Rule 52 which was later allowed in 2007.

12.5 While the last opportunity, as per the Rules, would have been for the appellant to file its evidence on or before 1st October, 2003, the appellant chose



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not to file it till March, 2015 notwithstanding that the hearing proceedings had not taken place, as contended by the appellant.

12.6 There were fixed timeframes provided by the Act which were not extendable regarding notice of opposition and the counter statement. Some leeway/extendibility was provided by the Act for filing of evidence in terms of Rule 105 of 2002 Rules which applied to situations where time had not been prescribed in the Act. Appeals in regard to orders of extendibility were, therefore, not permitted by Section 131 and the only recourse, if at all, to an aggrieved party would be to come up in a writ petition before the Court, but certainly not in appeal.

12.7 The prior user argument of appellant was untenable since respondent no.3 was user of '**HERO**' mark globally since 1957. In the notice of opposition, the appellant first claims in para 3 '*user since 1942*', then in the evidence in reply in para 9(e), improves its claim to '1905', as used by appellant's predecessors and then in interlocutory petition filed by the appellant, in para 8 it claims '*since 1993*'. This would show that the appellant was not clear of its own stand and was merely seeking to improve their case as the proceedings went along.

12.8 Reference was made to the interlocutory petition filed in February, 2006 to place evidence on record under Rule 52 where it is stated by the appellant that they were a big corporation with branches in various parts of India and were in process of collecting evidence in consultation with their lawyers and preparation of the same, which consumed time. Mr. Lall, therefore, contended that if this was the position and an extensive exercise had been undertaken,



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even as per the appellant in 2006, there could be no reason for attempting to submit further documents in 2015. In any event, in the application for filing the additional documents in respect of which the impugned order was passed, has provided no reason or any evidence of due diligence which the appellant would have undertaken.

Submissions in Rejoinder

13. Submissions were made in rejoinder by Mr. Rajshekhar Rao, Senior Counsel for the appellant in the following terms:

13.1 Since timelines were not provided in Rule 53, applicability of Section 131 of the Act for pleading non-maintainability of the appeal was not sustainable. Section 131 applied only to situations where there prescribed timelines. Prescription in the Act for timelines was in Section 21(1), (2), and (4).

13.2 It was pointed out that pursuant to the evidence placed on record in 2007, the Registry did not communicate of a hearing in the notice of opposition, despite a request for change of address in 2008. Attention was drawn to various letters addressed by appellant noting repeated communications of 6th March, 2010, 28th August, 2009, 5th November, 2008 and 7th July, 2008. This narration was found in letter dated 10th March, 2010 which had also mentioned the word '**REMINDER!!!**' in large, bold font. Thereafter, in 2012, pursuant to a file inspection, it transpired that respondent no.3 had been granted registration without a hearing and which, pursuant to steps taken by the appellant, was finally cancelled in 2015. Thus, it was not



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as if the appellant was simply coming after 15 years. Having no communication of the proceedings or status of the matter and this long period being interspersed with so many developments, the benefit of extension ought to be given to the appellant.

13.3 It was also averred that ground of non-maintainability was being taken at a belated stage.

13.4 Documents which were sought to be appended as additional evidence, were merely those which showed the user of the mark by the appellant since 1993 and would not cause any prejudice to the respondent no.3 in that regard.

Analysis

14. For ease of reference, the relevant provision as incorporated in the 2002 Rules, and the latest 2017 Rules, is tabulated as under:

2002 RULES	2017 RULES
Further Evidence 53. No further evidence shall be left on either side, but in any proceedings before the Registrar, he may at any time, if he thinks fit, give leave to either the applicant or the opponent to leave any evidence upon such terms as to costs or otherwise as he may think fit.	48. Further evidence. — No further evidence shall be left on either side, but in any proceedings before the Registrar, he may at any time, if he thinks fit, give leave to either the applicant or the opponent to leave any evidence upon such terms as to costs or otherwise as he may think fit.

15. An issue relating to timelines for filing evidence arose in *Sun Pharma*



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Laboratories Ltd. v. Dabur India Ltd. & Anr., 2024:DHC:946 in the context of Rule 50 of the 2002 Rules (now Rule 45 in the 2017 Rules) prescribing timeline for evidence in support of the opposition. The issue before the Court was whether the timelines provided by the Act/Rules were directory or mandatory, elastic or strict. Observations and conclusions of the Court are evident in the relevant paragraphs extracted below:

“32. The scheme of the Trade Marks Act, 1999 is clearly to provide strict timelines for the purpose of opposition proceedings. Repeated extensions to delay the process of registration through extension of time limits can hold up grant of trade mark registrations for a substantial period of time. The legislative intent behind the prescribed timelines in the Act and the Rules is to ensure that the registration of trade marks is not unduly delayed and Opponents are not able to delay the registration of marks.

33. If extension of time is granted for filing either pleadings or evidence in Opposition proceedings, without an outer deadline, the purpose of the Act and the Rules would be set at naught, inasmuch as the Opponents could indefinitely hold-up grant of registration of marks.

34. The transition from the 1959 Rules to the 2002 Rules and the 2017 Rules shows that the discretion, which was vested with the Registrar, has been taken away and the time period for filing of evidence has also been reduced. Initially, in the 1959 Rules, evidence was to be filed within two months from service by the Registrar on the Opponent and the Registrar had the discretion to decide as to whether the opposition ought to be deemed as abandoned or not.

...

37. The above transition and evolution of the Rules points to a clear intention to ensure that strict timelines are prescribed for conclusion of pleadings/evidence in opposition proceedings. Rules 105 and 109 of the 2002 Rules and 2017 Rules respectively,



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would not be an aid in granting of extension as such extensions cannot be granted, when the time periods are specifically prescribed in the Rules.

...

46. *In the opinion of this Court, use of the term “one month aggregate” in Rule 50 of the 2002 Rules and removal of discretion “unless the Registrar otherwise directs,” in Rule 50(2) of the said Rules clearly points to the time limit prescribed as being mandatory. This position would not be different in the 2017 Rules, inasmuch as even if the one month extension period has been deleted from the said Rules, the discretion with the Registrar also continues to be deleted.*

47. *The sum and substance of the above discussion is that upon the counter statement being received by the Opponent from the Applicant, the two months’ period begins to run. The counter statement need not be served by the Registrar upon the Opponent. If the evidence is not filed within the two months’ period, the opposition would be deemed to have been abandoned as the Registrar has no discretion either under Rule 50 of the 2002 Rules or Rule 45 of the 2017 Rules or Rules 101 and 109 of the 2002 Rules and the 2017 Rules respectively, to extend the time period.*

48. *This interpretation is also in line with the stand of the Trade Marks Registry i.e., to have strict timelines for opposition proceedings so that the Opponents cannot unduly and infinitely delay the processing of trade mark applications towards registration.”*

(emphasis supplied)

16. In *Sun Pharma* (*supra*), Court’s view was clear and categorical, in that, time limits prescribed under the Rules are mandatory, and in consonance with the necessity for strict timelines. An extrapolation of this principle must also logically apply to Rule 53 of the 2002 Rules (now Rule 48 of the 2017 Rules). The inflexible and inductile quality ascribed to the Rules for filing evidence



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in support of opposition cannot suddenly evaporate and dissipate when applying Rule 53 in a residual situation. While Rules 50-52 do not invite elasticity, it is difficult to accept that Rule 53 would. Rule 53 is prefaced by the phrase - “*no further evidence shall be left on either side*” - which exemplifies a situation that has truly precipitated. The phrase is followed by a “*but*” which is followed by a provision of a residual power of the Registrar to allow either party to leave evidence.

17. The residual power, therefore, is to be triggered when the Registrar himself feels that he requires certain evidence from the applicant or the opposer which is evident from the phrase “*he may at anytime, if he thinks fit, give leave...*”. *Ex facie* the bare language of the Rule does not suggest that the residual power can be triggered by either party. The Rule provides play in the joints, a circumscribed discretion, to invite evidence if the Registrar so thinks fit, akin to the *suo motu* power exercised by courts as well as to seek evidence in various situations if they so desire for better and complete adjudication.

18. This Court is therefore of the opinion that Rule 53 is a standalone provision, however as stated above cannot be interpreted *de hors*, divested, detached from the framework of the Act and the spirit of other provisions. It is predicated on situations where parties have exhausted all opportunities available under the Act/Rules to file evidence.

19. Extendibility under Rule 50, 51, and 52 to be made under Form TM 56 requires, at serial no 4, a statement of purpose for which extension is required. In light of specific timelines provided in Rules 50, 51, and 52 read with Section 21 of the Act, Rule 53 cannot be interpreted as a further



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opportunity for extension. The power under Rule 53 ought to be used by the Registrar in extremely rare circumstances and only when the Registrar herself feels there is necessity for additional evidence.

20. Rule 53, in the opinion of this Court, is not a valve which would allow a deluge at the last and final stages of adjudication / assessment. Allowing even a trickle of evidence at the behest of a party at such stage would render the mandatory timelines under Rule 50-52 otiose, infirm, lame and vacuous.

21. To accept the appellant's contention even *de hors* the sequence of events would be disastrous to the scheme of the Act and Rules. For arguments sake, even if Rule 53 was to be interpreted as elastic (per the appellant), in any event accounting for the sequence of events (as noted above), the appellant would falter miserably. Diligence is expected from both the trademark applicant and the opposer since the whole theme of intellectual property jurisprudence is based upon an energetic pursuit of one's proprietary rights. The appellant cannot take advantage of delay in the proceedings before the Registrar, since that would amount to leveraging an institutional delay to transgress a mandatory timeline.

22. Appeal is accordingly dismissed.

23. Pending applications, if any, are disposed of as infructuous.

24. Judgment be uploaded forthwith on the website of this Court.

**ANISH DAYAL
(JUDGE)**

FEBRUARY 29, 2024/sm/sc