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

% **Judgment reserved on: 09 January, 2024**
Judgment pronounced on: 13 March, 2024

+ LPA 429/2023, CM APPL. 24694/2023 (Stay) & CM APPL. 24697/2023

MAHESH GUPTA Appellant

Through: Mr. Akhil Sibal, Sr. Adv. with
Mr. Ankit Arvind, Mr. Ankur
Sangal, Ms. Asavari Jain and Mr.
Kiratraj Sadana, Advs.

versus

REGISTRAR OF TRADEMARKS & ANR. Respondents

Through: Mr. Harish Vaidyanathan
Shankar, CGSC with Mr. Srish
Kumar Mishra, Mr. Sagar
Mehlawat, Mr. Alexander
Mathai Paikaday, Mr. M. Sriram
& Mr. Krishnan, Advs. for R-1.
Ms. Swathi Sukumar, Mr.
Pratyush Rao, Mr. Naveen
Nagarjuna, Mr. Rishubh Agarwal
and Mr. Ritik Raghuwanshi,
Advs. for R-2.

+ C.A. (COMM.IPD-TM) – 130/2021

SAP SE Appellant

Through: Mr. Peeyoosh Kalra, Mr. C.A.
Brijesh, Mr. Rishabh Thakur and
Ms. Pragati Agrawal Advs.

versus

SWISS AUTO PRODUCTS & ANR. Respondents

Through: Mr. Sanjeev Singh and Ms.
Suman Gupta, Advs. for
R-1.



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Mr. Harish Vaidyanathan
Shankar, CGSC with Mr. Srish
Kumar Mishra, Mr. Sagar
Mehlawat, Mr. Alexander
Mathai Paikaday, Mr. M. Sriram
& Mr. Krishnan, Advs. for R-2.

CORAM:

HON'BLE MR. JUSTICE YASHWANT VARMA

HON'BLE MR. JUSTICE DHARMESH SHARMA

J U D G M E N T

YASHWANT VARMA, J.

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A. INTRODUCTION

1. The present reference has been placed before us consequent to a learned Judge of the Court expressing a doubt with respect to the correctness of the view expressed in **Mahesh Gupta v. Registrar of Trademarks & Anr**¹ and which forms subject matter of challenge in the connected LPA 429/2023. The learned Judge has in terms of the order dated 03 July 2023 posed the following questions for the consideration of this Bench:

“i) Whether the rules dealing with procedural aspects, including those relating to the filing of evidence introduced by the Trademarks Rules, 2017, would apply retrospectively to proceedings initiated under the Trademarks Rules, 2002.

ii) Whether failure to file evidence in support of the trademark application would tantamount to ‘anything done under the Trademarks Rules, 2002’, which is saved by Rule 158 of the Trade Marks Rules, 2017 and would continue to be governed by the Trademarks Rules, 2002.”

2. The questions themselves arise in the backdrop of Rules 45 and 46 of the **Trade Mark Rules, 2017**² and which speak of a deemed abandonment of the right to adduce evidence in support of opposition and in support of the trade mark application, as a consequence of a failure to comply with the timelines prescribed therein. Rule 45 enables an opponent to lead evidence in support of opposition subject to the prescription that the same must be filed within two months from the service of a copy of the counter statement. In terms of sub-rule (2) thereof, if an opponent takes no action in terms of the substantive provision made in sub-rule (1), it shall be deemed to have abandoned the opposition. A similar right to lead evidence is conferred upon the trademark applicant while responding to evidence in support of

¹ 2023 SCC Online Del 1324

² 2017 Rules



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opposition. Here too, the trade mark applicant is enabled to adduce evidence in support of the application and thus seek to overcome the opposition which stands mounted. However, the applicant faces a similar specter of deemed abandonment if evidence is not submitted within the time prescribed.

3. According to the opinion rendered by the learned Judge in *SAP SE*, the 2017 Rules have introduced procedural changes and would thus apply retrospectively to ongoing proceedings including those which may have been initiated under the **Trade Marks Rules, 2002**³. The learned Judge in *SAP SE* while framing the order of reference has essentially held that actions validly initiated under the 2002 Rules would be governed by the 2017 Rules upon their promulgation. The learned Judge was further of the opinion that since the decision taken upon SAP SE's application to lead evidence in support of the trademark application came to be rejected in 2019 and thus at a time when the 2017 Rules had come into force, it should have been examined as per the 2017 Rules. The aforesaid foundational premise is based upon the concept of deemed abandonment having been introduced only by virtue of the 2017 Rules and the applicant there having avoided abandonment bearing in mind the nature of the representation which was submitted to the **Registrar of Trademarks**⁴. The learned Judge has in this regard held as follows:

“23. The upshot of the above discussion is that due to the procedural nature of 2017 Rules, the Examiner has erred by applying the 2002 Rules on the date when the same had been repealed. The 2017 Rules do not contain any clause that provides that the pending proceedings are unaffected and are to continue as per the 2002 Rules. In absence of any saving clause under the

³ 2002 Rules

⁴ Registrar



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2017 Rules, in the opinion of the Court, the Registrar ought to have decided the matter by taking into account the provisions of Rule 46 of the 2017 Rules and the provisions of Rules 51 of the 2002 Rules would not apply.

24. On this issue, the Court further takes note of the decision of a Coordinate Bench of this Court in ***Mahesh Gupta v. Registrar of Trademarks and Anr.***, which was delivered after the present case was reserved for judgment. In the aforesaid decision, the Court has taken a view that the proceedings which were initiated under 2002 Rules would have to be adjudicated under the said Rules. Analysing Rule 158 of 2017 Rules, it was held that the expression "without prejudice to anything done under such rules before the coming into force of these rules", would include the filing of evidence in support of the opposition by the Appellant therein and would thus be governed by the 2002 Rules.....

25. The afore-noted decision does not take note of the judgments of the Supreme Court regarding the retrospective application of procedural amendments. Furthermore, Rule 158 categorically provides that the 2002 Rules are repealed. This means that 2002 Rules no longer have any legal force or effect from the time when 2017 Rules came into effect. The expression "without prejudice to anything done under such rules before the coming into force of these rules", means that any actions taken, decisions made or rights granted under the 2002 Rules, are still valid and will not be affected by the repeal. In other words, the repeal of 2002 Rules, does not erase or invalidate what has been done under them prior to the coming into force of 2017 Rules. Further, the expression "before the coming into force of these rules", specifies the timeline that the clause applies to, which is to any time period before the 2017 Rules came into force. As discussed above, generally, procedural amendments are intended to apply retrospectively unless there is a clear indication to the contrary. The saving expression in the clause noted above is designed to ensure that actions taken, decisions made or rights granted under the repealed rules (2002 Rules) are preserved and remain unaffected by the repeal. The clauses would apply to actions completed or rights accrued under the 2002 Rules. The phrase "anything done under such rules", typically refers to completed actions or established rights. In the instant case, the significant action taken under the 2002 rules was filing of the trademark application or submitting the evidence. These actions remain valid and would not be invalidated by the coming into force of 2017 Rules. However, the decision declining Appellant's evidence because of delay, taken in 2019, is a separate action, at which point of time 2017 Rules were subsisting and therefore, the decision should have been guided by the 2017 Rules. The saving clause protects what was done under the 2002 Rules, but does not



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dictate that the 2002 Rules continue to govern all aspects of the proceedings after the enforcement of 2017 Rules. Such an interpretation would effectively render the repeal of 2002 Rules meaningless, thereby defeating the intent of replacing the old rules with new ones.”

4. As would be apparent from a reading of the aforesaid conclusions as rendered by the learned Judge, the view taken essentially hinges upon the fact that by the time the application for evidence in support of application came to be rejected, the 2017 Rules had come into force. The learned Judge has construed Rule 46 of the 2017 Rules as not only being procedural but also having reduced the rigour with which the timelines stood spelt out in Rule 51 of the 2002 Rules. The conclusions of the learned Judge are based upon firstly Rule 46 of the 2017 Rules, while prescribing the time frame for depositing evidence in support of the application no longer being sacrosanct, or to put it differently, mandating inviolable time lines, coupled with the fact that the trademark applicant had avoided the deemed abandonment by asserting that in case the prayer for extension of time were to be refused, the facts stated in the counter-statement be taken into consideration. The aforesaid conclusions are also founded on the learned Judge being of the opinion that the provisions regarding timelines for filing of evidence are procedural and thus the presumption against retrospectivity not being applicable. The learned Judge also appears to have come to conclude that Rule 51 of the 2002 Rules did not embody the deemed abandonment principle. More fundamentally, the Court came to conclude that Rules 45 & 46 of the 2017 Rules in fact revert the statutory position to that which prevailed under the **Trade & Merchandise Marks Rules, 1959⁵**.

⁵ 1959 Rules



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5. The Mahesh Gupta appeal emanates from an application made seeking extension of time to adduce evidence in support of opposition. That appeal was concerned with Rule 50 of the 2002 Rules and Rule 45 of the 2017 Rules. Although the order which was impugned before the learned Judge had also come to be passed after the 2017 Rules had come into force, the Court held that finality and closure which comes into effect pursuant to the provisions embodied in Rule 50 would attain a quietus- a state of irrevocability so to speak, and which could not be washed away merely by virtue of the promulgation of the 2017 Rules and the repeal of the earlier Rules. It becomes pertinent to note that although the Registrar in *Mahesh Gupta* had invoked the 2017 Rules to hold that the opponent would be deemed to have given up its right to lead evidence, the learned Judge held that although the 2017 Rules would not be applicable and the Registrar had erred in invoking those provisions, the opponent would in any case have lost the right to adduce evidence in light of the inflexible timelines prescribed under the 2002 Rules.

6. The learned Judge in *Mahesh Gupta* construed Rule 158 of the 2017 Rules, and in terms of which the 2002 Rules came to be repealed, as not impacting any decisions which were rendered on the anvil of the 2002 Rules holding that the phrase “*anything done under such rules*” would indicate all pending applications being continued to be governed and regulated by the 2002 Rules.

7. For the purposes of briefly setting out the backdrop in which the Mahesh Gupta and SAP SE applications came to be examined and disposed of by the Trademark authorities, we deem it apposite to notice the following facts.



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B. BRIEF FACTUAL BACKGROUND

8. SAP SE filed an application before the Registrar for registration of the mark “SAP” under Class 9 on 06 December 1999. The aforesaid application was advertised in the Trade Mark Journal on 01 January 2007. The respondent in that appeal filed a notice of opposition to the said application on 14 August 2007. The Trademark Registry provided SAP SE with a notice of the opposition in terms of a letter dated 12 October 2011 and directed it to file its counter statement within two months. The aforesaid communication is stated to have been received by SAP SE on 24 October 2011. SAP SE on 21 December 2011 submitted its counter statement before the Trademark Registry. A copy of the counter statement is stated to have been forwarded to the respondent by the Registry on 06 June 2013 and was received by it on 09 July 2013. On 11 September 2013, the respondent sought one month’s further time until 22 October 2013 for filing evidence in support of the opposition. The evidence in support of the opposition is ultimately stated to have been filed on 19 October 2013. A copy of the complete evidence in support of opposition, along with the enclosed annexures was furnished by the respondent vide its letter dated 08 November 2013, which was received by SAP SE on 12 November 2013.

9. On 09 January 2014, SAP SE sought an extension of one month to file its evidence in support of the application. A similar request is thereafter stated to have been made in terms of letters dated 12 February 2014, 11 March 2014 and 09 April 2014. The evidence was ultimately submitted before the Trademark Registry on 09 May 2014 by SAP SE.



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10. In terms of the order which stood impugned in the SAP SE appeal and is dated 12 June 2019, the Registrar held that SAP SE was obliged to submit the evidence within three months from the date of receipt of the evidence in support of opposition and thus by 12 February 2014. The Registrar took the position that bearing in mind the language of Rule 51(1) of the 2002 Rules, the Registrar did not stand conferred with either the jurisdiction or the authority to extend time beyond the period of three months. It is the correctness of this view which was questioned before the learned Single Judge.

11. Mahesh Gupta's appeal pertained to an application made for leading evidence in support of opposition. The second respondent in that appeal had filed an application for registration of the trademark "JKENT" under Class 32 on 28 April 1998. A notice of opposition was submitted by Mahesh Gupta on 15 September 2006. This was followed by a counter statement submitted by the second respondent on 12 April 2008. Mahesh Gupta is stated to have submitted its evidence in support of opposition on 10 June 2010. On 11 June 2010, an application was made by Mahesh Gupta for being accorded an extension of time of four months for filing the evidence in support of opposition. That evidence was ultimately submitted in the Trademark Registry on 25 September 2010. On 14 August 2018, a hearing was fixed by the Registrar to consider whether Mahesh Gupta would be deemed to have abandoned the right to lead evidence in support of opposition. It is pursuant to the aforesaid hearing that the Registrar ultimately proceeded to pass the order dated 07 August 2019 holding that since Mahesh Gupta had failed to submit the evidence in opposition within two months from the service of a copy of the counter statement, he would be deemed to have



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abandoned the same by virtue of Rule 45(2) of the 2017 Rules.

12. While dealing with the challenge raised to the aforesaid order, the learned Single Judge has held as follows:

“7. I may observe, at the very outset, that the learend Deputy Registrar has formally erred in law in passing the impugned order under the 2017 Rules. All proceedings before the learend Deputy Registrar, save and except for the passing of the impugned order, on 7th August 2019, took place when the 2002 Rules were in force. The application seeking registration, the opposition thereto, the counter statement filed by way of response to the oppositin and the filing of the evidence in support of the opposition by the appellant along with the application seeking condonation of delay, were all prior to coming into force the 2017 Rules; in fact, much prior thereto.

8. Rule 158 of the 2017 Rules, even while repealing the 2002 Rules, clearly holds that such repeal would be —without prejudice to anything done under such rules before the coming into force of these rules. In other words, the repeal of the 2002 Rules by the 2017 Rules would, inter alia, be without prejudice to all proceedings which took place in the present case, including the filing of the evidence in support of the opposition by the appellant which, admittedly, was under Rule 50(1) of the 2002 Rules. The repeal of the 2002 Rules by the 2017 Rules cannot, therefore, prejudice the applicability of the 2002 Rules, insofar as the issue of whether the evidence filed by the appellant under Rule 50(1) of the 2002 Rules could be taken on record, is concerned.

9. The dispute has, therefore, to be examined in the light of Rule 50(1) of the 2002 Rules. What has to be seen, therefore, is whether the opposition of the appellant could be treated as having deemed to have been abandoned by applying Rule 50(1) of the 2002 Rules.

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14. To my mind, the view espoused in para 60 of the decision in *Wyeth*, if accepted, would amount to no less than re-writing of the applicable statutory provisions. Rule 50(1) of the 2002 Rules is even more peremptory, in its application, than Rule 48 of the succeeding 2017 Rules. While providing a period of two months to an opponent opposing an application seeking registration of a trade mark file its evidence after receipt of the counter-statement of the applicant, Rule 50(1) empowers the Registrar to extend the said period only upto one month, specifically using the words —not exceeding one month—. The words —not exceeding one month— are mandatory in their import. The learned Registrar



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could not, therefore, grant extension of more than one month beyond the period of two months from the date of service, on the opponent opposing the registration of a mark, of a copy of the counter statement. Grant of any further extension would clearly be in the teeth of Rule 50(1).

15. Rule 50(2) is even clearer in its import. It states, in unambiguous terms, that, if the opponent took no action under Rule 50(1) within the time period mentioned therein – meaning two months extendable by a maximum period of one month – he shall be deemed to have abandoned his opposition.

16. Deemed abandonment of the opposition, therefore, follows as an inexorable statutory sequitur to the failure, on the part of the opponent, in filing the evidence in support of the opposition within the period envisaged in Rule 50(1). Deemed abandonment, therefore, occurs by operation of the statute. Even sans any judicial or quasi-judicial order, therefore, if the opponent opposing the application seeking grant of the trade mark fails to file its evidence in support of the opposition within a maximum of three months from the receipt, by it, of the counter-statement of the trade mark applicant, the opposition would ipso facto be deemed to be abandoned irrespective of whether any order to that effect is, or is not, passed by any judicial or quasi-judicial forum.”

13. The Court in *Mahesh Gupta* significantly observed that the Registrar had erred in trying the application on the anvil of the 2017 Rules. It held that all proceedings on that application had been undertaken while the 2002 Rules were still in force. *Mahesh Gupta* accordingly holds that those proceedings would in light of Rule 158 of the 2017 Rules be liable to be tried on the basis of the provisions as obtaining under the 2002 regime. It was in the aforesaid backdrop that the learned Judge held that the application seeking to adduce evidence in support of opposition would have to be tried on the basis of Rule 50 of the 2002 Rules, as it existed.

14. While arriving at that conclusion the learned Judge in *Mahesh Gupta* also had an occasion to examine the decision rendered in



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Surinder Corporation, U.S.A. vs. Hindustan Lever Ltd & Anr.⁶

Surinder Corporation had dealt with the issue of whether Rule 50 of the 2002 Rules was mandatory and whether it constructed strict time frames beyond which the Registrar would have no jurisdiction to grant a prayer for extension. Significantly, *Surinder* distinguished the judgment rendered by a Full Bench of our Court in **Hastimal Jain trading as Oswal Industries v. Registrar of Trade Marks & Anr⁷** and which had while examining Rules 53 of the 1959 Rules held that the said Rule was directory. The learned Judge while penning the opinion in *Surinder Corporation* had observed that Rules 50 and 51 of the 2002 Rules constituted a stark and evident departure from the position as it existed under the **Trade and Merchandise Marks Act, 1958⁸** read along with the 1959 Rules and that Rules 50 and 51 deprived the Registrar of the power to extend time as otherwise prescribed in those provisions. In order to appreciate the issues that stand raised, we deem it apposite to extract the following passages from *Surinder Corporation*:

“8. Reading Rule 50, it is clear that the evidence by way of affidavit in support of an opposition to the registration of a trade mark has to be filed within two months of the service of a copy of the counter-statement on the opponent. This period of two months is further extendable by a period of one month in the aggregate thereafter as the Registrar may on request allow. Clearly, in the first instance, the evidence affidavit has to be filed within two months of the receipt of a copy of the counter-statement. The Registrar may extend this period by a further one month in the aggregate if a request for the same is made in time. Sub-rule (2) of Rule 50 makes it clear that if an opponent takes no action under Sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition. It is also interesting to note that Sub-rule (3) refers to the application for extension of the

⁶ 2007 SCC Online Del 1018

⁷ 1999 SCC Online Del 1020

⁸ 1958 Act



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period of one month mentioned in Sub-rule (1). It is also stipulated that such an application has to be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein. So, it is clear that a strict regimen has been prescribed for the filing of evidence by way of affidavit in support of an opposition. A plain reading of the provisions makes it abundantly clear that the evidence has to be filed within two months in the first instance and, if an appropriate application for extension of time is made before the expiry of the period of two months and if such application is allowed by the Registrar, then latest by a further month. In other words, under no circumstances can the evidence affidavit be filed beyond the maximum three months prescribed under the said rule. In case the opponent has not taken steps within the prescribed time, then there is no option left with the Registrar but to deem that the opponent has abandoned his opposition.

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18. From the above extract, it is apparent that the Full Bench was of the view that Rule 53(2) of the 1959 Rules was not mandatory, but merely directory. The Full Bench observed that although the word ‘shall’ was used in Rule 53(2), that by itself would not indicate that the provision was mandatory. It came to this conclusion specifically because of the expression ‘unless the Registrar otherwise directs’ used immediately after the word ‘shall’. It is in this context that the Full Bench was of the view that the legal fiction created by the word ‘shall’ was not absolute as it was limited by the words ‘unless the Registrar otherwise directs’. Consequently, the Full Bench was of the view that the provisions of Rule 53(2) were not mandatory but directory.

19. The learned Counsel for the respondent No. 1 has urged before this Court that Rule 50(2) of the 2002 Rules must also be interpreted in similar fashion as being directory and not mandatory. This argument has to be rejected. The reason being that the provisions of Rule 53 of the 1959 Rules and Rule 50 of the 2002 Rules are materially different. First of all, in Sub-rule (1) of Rule 50 of the 2002 Rules, the following words have been inserted:

“or within such further period not exceeding one month in the aggregate thereafter as the Registrar may on request allow.”

20. These words are missing in Rule 53(1) of the 1959 Rules and, therefore, the decision in Hastimal Jain (supra) would not apply to the facts of the present case. The second difference is that the expression ‘unless the Registrar otherwise directs’ appearing in



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Rule 53(2) of the 1959 Rules is missing from Rule 50(2) of the 2002 Rules. For this reason also, the decision of the Full Bench in Hastimal Jain's case would not apply to the present case. The Full Bench had placed great reliance on the expression 'unless the Registrar otherwise directs' to indicate that the provision was directory and not mandatory and secondly that the Registrar had discretion in the matter. But these words are missing in the new avatar of this rule which is to be found in Rule 50(2) of the 2002 Rules. The new Rule 50(2) simply and plainly states that if an opponent takes no action under Sub-rule (1) within the time prescribed therein, he shall be deemed to have abandoned his opposition. The Registrar has no role to play and no discretion in the matter. The entire basis of the Full Bench decision in Hastimal Jain's case is that the Registrar had been given discretion in the matter as indicated by the words 'unless the Registrar otherwise directs'. This discretion is missing in Rule 50 under the 2002 Rules.

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22. It is, therefore, quite clear that the answer to question No. 1 is that the Registrar does not have the power to extend the time for filing of the evidence affidavit in support of an opposition beyond the maximum period of three months prescribed under Rule 50(1) of the Trade Marks Rules, 2002 and that the answer to question No. 2 is that the non-filing of the evidence affidavit within the prescribed time would by itself lead to the conclusion that the opposition has been abandoned.

23. Lastly, I would like to observe that the Intellectual Property Appellate Board in arriving at the conclusion that it did was under the impression that the Registrar had discretion in the matter and was exercising a discretionary power. This premise is not correct. The provisions of Rule 50(2) are mandatory and the Registrar has no discretion. If the evidence affidavit has not been filed within the time prescribed, the opposition would have to be deemed to have been abandoned. The Registrar has also no discretion in extending the time beyond the maximum period of one month prescribed under Rule 50(1). Therefore, the impugned order passed by the Intellectual Property Appellate Board on 11.3.2005 is set aside and the order passed by the Assistant Registrar dated 20.2.2004 is upheld."

15. Although the decision in *Surinder Corporation* has been noticed by the learned Judge in *SAP SE*, the Court held that since the 2017 Rules had reverted the position to that which existed under the 1958



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Act and the 1959 Rules, it would be the judgment of the Full Bench in *Hastimal Jain* and the principles enunciated in that decision which would govern. In *SAP SE*, the learned Judge spoke of the “congruence” of the 2017 Rules with the 1958 Act and the Rules framed thereunder. It is the aforesaid divergent opinions and the conflict in views expressed which fall for our consideration.

C. SUBMISSIONS OF SAP SE

16. Mr. Peeyoosh Kalra, learned counsel who appeared for SAP SE advanced the following submissions. According to learned counsel, the judgment rendered in *SAP SE* correctly finds that Rules 45 & 46 of the 2017 Rules are procedural and would thus be liable to be interpreted as having retrospective application. It was submitted that since the law of limitation is intrinsically procedural, any amendment in such a law would operate retrospectively. It was his submission that Section 21(4) of the **Trade Marks Act, 1999**⁹ does not provide for a time period within which evidence may either be submitted or extension of time be sought. This, according to learned counsel, would clearly attract Section 131 of the 1999 Act and which confers a discretionary power upon the Registrar to extend the time within which evidence may be filed. He commended for our acceptance the legal position as it stands encapsulated in paragraph 11 of the judgment in *SAP SE*, which reads thus:

“11. Subsequent to the above decision, this Court, in the case of Sunrider Corporation {Supra}, differed from the views expressed in the aforementioned decision due to the disparities between the repealed provisions of the 1959 Rules and the revised provisions under the 2002 Rules. The Court ruled that Rule 50(2) of the 2002 Rules is mandatory, rather than directory. Interestingly, under the

⁹ 1999 Act



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2017 Rules, the legal position has apparently reverted to the state that existed prior to the enactment of the 2002 Rules. The phrase "within such period not exceeding one month in the aggregate thereafter as the Registrar may on request allow" has been expunged. This particular phrase constituted the core rationale behind this Court's ruling in Sunrider Corporation (Supra) that the 2002 Rules were mandatory, rather than directory. Hence, in light of the congruence of 2017 Rules with the 1959 ones, the judgement in Hastimal Jain (Supra) once again becomes germane to the question of whether the Registrar possesses the discretion to admit evidence even when submitted beyond the stipulated period of two months."

17. Mr. Kalra submitted that Rules 45 and 46 of the 2017 Rules no longer employ the phrase "*within such period not exceeding one month in the aggregate thereafter as the Registrar may on request allow*", as it existed in Rules 50 & 51 of the 2002 Rules. According to learned counsel, the deletion of the aforesaid phrase from Rules 45 and 46 is evidence of the intent of the Legislature of both those provisions not only being viewed as directory but also underlining the inherent discretion which vests in the Registrar to extend the time within which evidence may be submitted. According to learned counsel, *Surinder Corporation* must be appreciated bearing in mind the indubitable fact that it was rendered in the context of Rules 50 and 51 of the 2002 Rules and which position no longer prevails under the 2017 regime.

18. According to learned counsel, a bare reading of Sections 21 and 131 of the 1999 Act read along with Rules 50, 51 and 53 of the 2002 Rules would lead one to the inevitable conclusion that the Legislature did not intend to limit the time within which evidence may be filed and recognized a discretion inhering in the Registrar to take on record relevant evidence even thereafter. Mr. Kalra submitted that the Court would, in light of the above, be correct in answering the questions



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which stand framed bearing in mind the salient principles which came to be laid down in *Hastimal Jain*.

19. Mr. Kalra also sought to draw support for his aforementioned submissions from the following judgments rendered by different High Courts. He firstly drew our attention to the following observations as appearing in the decision of the Gujarat High Court in **Wyeth Holdings Corpn. & Anr v. Controller General of Patents, Designs & Trade Marks**¹⁰:-

“59. In view of the aforesaid discussion, in view of the settled legal position that subordinate legislation cannot travel beyond the scope of main legislation and having regard to the provisions of Section 131 which provides for extension of time, this Court has only two options, either to declare sub-rule (2) of Rule 50 as ultra vires the Act or by employing principle of ‘harmonious construction’, to read sub-rule (2) of Rule 50 to be a ‘directory’ one.

60. In the considered opinion of this Court, there is no reason much less a compelling reason for which the first option should be exercised and the ‘Rule’ be struck down by holding it to be ‘mandatory’. As against that, it is a well settled position of law that principle of ‘harmonious construction’ should be pressed into service and sub-rule (2) of Rule 50 be read as ‘directory’. This Court is of the opinion that by declaring sub-rule (2) of Rule 50, ‘directory’, no injustice or prejudice is going to be caused to any party. On the contrary, it will be serving the interest of justice. Hence, second option is exercised. Sub-rule (2) of Rule 50 is held to be ‘directory’ in nature. However, it is clarified that holding sub-rule (2) of Rule 50 to be ‘directory’ does not take away the powers of the Assistant Registrar to refuse extension of time in a given case when he finds that there is no substance in the grounds on which the extension of time is sought for. As against that, to hold sub-rule (2) of Rule 50 as ‘mandatory’, will devoid the Assistant Registrar of his power to exercise discretion in appropriate cases. This Court is of the opinion that the first option, empowering the Assistant Registrar to exercise the discretion in appropriate cases on the merits of the grounds put forward for extension of time, is the one to be preferred.

¹⁰ 2006 SCC Online Guj 620



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61. With these observations, the petition is allowed. Sub-rule (2) of Rule 50 is declared to be 'directory'. It is also held that the Assistant Registrar does have power to grant extension of time in light of the merits contained in the grounds on which the extension is sought for. In the consequence, order impugned dated 29.06.2005 is hereby quashed and set aside...."

20. Our attention was then invited to yet another decision rendered by that High Court in **Intas Pharmaceuticals Limited v. Intellectual Property Appellate Board & Ors**¹¹ where it was held:-

“4. The language of Rule-50, if read as it is, it can be said that the powers of the Registrar to consider opposition are controlled. However, such controlling of the power of the Registrar in capacity as quasi judicial authority, may not be read by the Court in every case as mandatory and in a given case on consideration of the scheme of the Act read with the powers to be exercised as that of quasi judicial authority, the Constitutional court while interpreting the section or rule may hold to be directory keeping in view the purpose and the objects of the Act....

5. It may also observe that while interpreting other provisions also, such powers with the Court while trying the suit under the Code of Civil Procedure for extending the time, have been read. Therefore, reading such powers holding the procedural aspect to be directory, are not the principle unknown while interpreting the statutory provisions. If the judgment of this court in the case of Wyeth Holdings Corporation & another (supra), is considered in light of the aforesaid position, it appears that the Court with a view to save Rule has held the provision as directory. The Board has followed the decision of this Court, therefore, such an approach on the part of the Board cannot be said as perverse exercise of discretion which may call for interference by this Court in a petition under Article 227 of the Constitution.

6. The attempt on the part of the learned Counsel to take a different view in view of the subsequent decision of Delhi High Court in the case of Surinder Corporation, USA (supra) cannot be countenance for two reasons, one is that reading down of the statutory provisions with a view to leave room to the quasi judicial authority for exercising the discretion and thereby to enable them to render justice to the fullest extent is not a principle

¹¹ 2008:GUJHC:13217



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unknown. Delhi High Court in the said decision in the case of Surinder Corporation, USA (supra) had no occasion to consider the matter from the said angle. The second is that sitting in coordinate bench, the decision is binding as per the principle of sound judicial discipline.”

21. A similar view was expressed by that High Court in **Bausch & Lomb Incorporated v. Union of India & Ors.**¹², relevant parts whereof are extracted hereinbelow:-

“7. I have heard learned advocates appearing for the respective parties. I have also gone through the impugned order passed by the respondent No. 2. I am of the opinion that the question involved in the present petition is whether the provisions of Rule 50 of the Rules are ‘mandatory’ or ‘directory’ in nature. I have also gone through the decisions relied upon by the petitioner as well as by the respondent No. 3. It appears that the coordinate Bench of this Court in the case of Sanyo Ceramics (Supra) has considered both the decisions i.e. decision of the coordinate Bench of this Court in the case of Wyeth Holdings Corporation (Supra) and the decision of the Delhi High Court in the case of Sunrider Corporation, USA, and after considering the said decisions, has held that the provisions of Rule 50 of the Rules are directory in nature. I have also considered the fact that the respondent authority has issued Trade Mark Manual by which the Officers have been directed that Rule 50 of the Rules should be treated as directory in nature. Considering the overall facts and circumstances of the case, I am of the opinion that the respondent No. 2 should not have rejected the application of the petitioner on the ground that the respondent No. 2 has no power and that the provisions of Rule 50 of the Rules are mandatory in nature.

8. In the result, the present petition stands allowed. The impugned order dated 15.5.2015 passed by the respondent No. 2 is quashed and set aside. Though the petitioner has filed Interlocutory Application for condonation of delay in filing the evidence in the year 2005, the respondent No. 2 has decided after considerable long time i.e. on 15.5.2015 and hence, in my opinion, it would be a futile exercise to remand the matter for fresh consideration to the respondent No. 2, particularly when there is no inordinate delay in producing the evidence on record. Hence, the Interlocutory Application filed by the petitioner for condonation of delay in filing the evidence is hereby allowed. The delay caused is hereby condoned. The petitioner is hereby directed to

¹² 2016 SCC Online Guj 2980



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produce evidence before the respondent No. 2 within a period of 15 days from today. The respondent No. 2 thereafter shall proceed with the Opposition Application on merits, in accordance with law as expeditiously as possible. Rule is made absolute to the above extent.”

22. Mr. Kalra also commended for our consideration the decision of the Bombay High Court in **Kantilal Tulsidas Jobanputra v. Registrar of Trade Marks & Ors**¹³ and more particularly to the following passages of that judgment:-

“8. Rule 53(2) provides that opposition shall be deemed to have been abandoned, unless the Registrar otherwise directs, and that clearly indicates that the legislature never intended to lay down a rigid rule, ignoring the genuine circumstances which may require extension of time for filing evidence beyond the period of two months. Rule 53(2) by using the expression "deemed to have been abandoned" provides for a legal fiction and it is settled that legal fiction cannot be stretched beyond the purpose for which it was enacted. The legal fiction is also not absolute but is controlled by the discretion of the Registrar to extend the time and that clearly indicates that legislature never intended to shut out the opposition, merely because the evidence is not filed within the prescribe time. The rule is enacted with a view to indicate the urgency in disposing of the proceedings and viewed in that context, it is clear that the procedural rule is clearly directory. Rule 53(2) enables the Registrar to extend the time for filing evidence in appropriate cases and even if the time is not extended, to permit the party to rely on the facts stated in the notice of opposition. The registration of the mark operates in rem and a duty is cast on the Registrar to maintain the purity of the Registrar and therefore Rule 53 has left wide discretion with the Registrar to extend the time for filing evidence in support of opposition. The rule should be worked to achieve the goal of maintaining the purity of Registrar and not as a weapon to deprive the parties of their right to put their claim before the Registrar.

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11. Taking into consideration the real intention of the legislature and applying the test laid down by the Supreme Court, in my judgment, Rule 53(2) is clearly directory and violation of it cannot be condemned as fatal in every case. The Registrar is clearly in error in holding that the power to extend the time for

¹³ Bombay High Court Judgment dated 27.03.1980 in Misc. Petition Nos. 926 & 1511 of 1997



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filing evidence stands extinguished, in case the application for extension is not filed or extension is not granted before expiry of the period. A plain reading of Rule 53 (2) and section 101 of the Act is sufficient to discard the view. It is open to the parties to apply for extension of time on sufficient grounds and it is equally permissible for the Registrar to extend the time on being satisfied of such grounds, and such application and order can be made even after the expiry of the prescribed period. It is not possible to read any limitation in the Rule as suggested on behalf of the Registrar.

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13. Shri Sethna then submitted that in any event the Registrar has given cogent reasons for not exercising discretion and extending the time as sought by the petitioner. In my judgment, the submission is not correct. The Registrar in his order on the review application has given three reasons for holding that the petitioner is guilty of serious laches and is not entitled to the extension in the discretionary exercise of powers under section 101 of the Act. The reasons are (1) that the petitioner did not take any action as required under Rule 53(1) within two months (2) no application was filed for extension before the expiry of two months, and (3) the application for change was filed after an inordinate delay of five years. In my judgment, the three reasons given by the Registrar for refusing to exercise the discretion are totally incorrect. The first two reasons are not correct, because the petitioner has stated in his application for extension of time that he was under an impression that the opposition would not be entertained unless the change is effected. The petitioner in fact filed an application within a period of two months from the service of counter-statement for effecting change in the Register. That application remained pending for a period of about six months. The petitioner failed to file the evidence because he was under a misconception. Shri Sethna complained that it was not necessary for the petitioner to wait till the change was effected in the Register to file the evidence. It may be so, but it cannot be overlooked that ultimately the Rules of procedure before any Tribunal are for advancement of cause of justice and not to close the doors preventing the parties to get determination on merits. It may be that the petitioner was not very careful in complying with the rules, but that should not prevent him from agitating his claim. The Registrar should have extended the period and should have permitted the petitioner to proceed with the opposition. The third ground is also equally without any merit, because though the petitioner has filed the application for effecting five years, it was not with an idea to take any advantage. The application for change was filed as soon as respondent No. 2 raised an objection



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in the counter-statement. The facts of the case clearly indicate that the mistake committed by the petitioner in not effecting the change in the Register earlier was a bonafide one. In such circumstances, in my judgment, the Registrar was not right in declining to exercise his discretion in favour of the petitioner. In my judgment, the Registrar ought to have extended the time and permitted the petitioner to file his evidence in support of the opposition.”

D. SUBMISSIONS OF THE FIRST RESPONDENT - SWISS AUTO PRODUCTS IN THE SAP SE REFERENCE

23. Appearing for the first respondent in SAP SE, Mr. Singh submitted that not only *Surinder Corporation* but also a subsequent decision rendered by this Court in **Aman Engineering Works v. Registrar Trade Marks, Trade Marks Registry, New Delhi & Ors**¹⁴ had found that the provisions forming part of the 2002 Rules are mandatory. Learned counsel in this respect drew our attention to paragraphs 8, 22 and 23 of the decision in *Surinder Corporation* and which have been extracted in the preceding parts of this decision.

24. Thereafter taking us through the decision rendered in *Aman Engineering*, learned counsel sought to draw sustenance from the following observations as entered in that decision:

“28. The position, however, with regard to Rule 119 of the Rules will continue to be governed by *Surinder Corporation, U.S.A.* (supra), as Rule 119, as was the case with Rule 45 of the old Rules prior to its amendment, prescribes the outer limit within which alone the respondent no. 1 can condone the delay. The judgment of this Court in *Surinder Corporation, U.S.A.* (supra) would, therefore, fully apply as far as Rule 119 of the Rules is concerned, as it clearly provides that the Registrar of Trade Marks/respondent no. 1 has no power to condone the delay in the filing of an application seeking review beyond expiry of one month from the date of the decision of which review is sought.”

¹⁴ 2022 SCC Online Del 3666



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25. In this backdrop, Mr. Singh contended that the decisions of the Gujarat High Court relied upon by Mr. Kalra would not hold any significance and that the time period as prescribed under Rules 50 and 51 of the 2002 Rules is mandatory and not directory in nature.

E. SUBMISSIONS OF MAHESH GUPTA

26. In the Mahesh Gupta appeal, the appellant addressed the following submissions in the form of a written note. The appellant contended that the learned Single Judge while handing down its decision in *Mahesh Gupta* clearly erred in holding that the 2002 Rules would apply even though by that time they had, in fact, been repealed by the 2017 Rules. In support of his submission of repeal and the effect thereof, the appellant placed reliance upon the decision in **Kohlapur Canesugar Works Ltd. & Anr. Vs Union of India & Ors.**¹⁵ and contended that the well accepted effect of the repeal of a statute is the obliteration of the original provisions from the statute book and to treat them as having never existed. Paragraphs 36-38 of the decision in *Kolhapur Canesugar Works* as relied upon by the appellant are reproduced hereinbelow:

“36. In the case in hand Rule 10 or Rule 10-A is neither a "Central Act" nor a "regulation" as defined in the Act. It may be a Rule under Section 3(51) of the Act. Section 6 is applicable where any Central Act or regulation made after commencement of the General Clauses Act repeals any enactment. It is not applicable in the case of omission of a "rule".

37. The position is well known that at common law, the normal effect of repealing a statute or deleting a provision is to obliterate it from the statute-book as completely as if it had never been passed, and the statute must be considered as a law that never existed. To this rule, an exception is engrafted by the provisions

¹⁵ (2000) 2 SCC 536



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of Section 6(1). If a provision of a statute is unconditionally omitted without a saving clause in favour of pending proceedings, all actions must stop where the omission finds them, and if final relief has not been granted before the omission goes into effect, it cannot be granted afterwards. Savings of the nature contained in Section 6 or in special Acts may modify the position. Thus the operation of repeal or deletion as to the future and the past largely depends on the savings applicable. In a case where a particular provision in a statute is omitted and in its place another provision dealing with the same contingency is introduced without a saving clause in favour of pending proceedings then it can be reasonably inferred that the intention of the legislature is that the pending proceedings shall not continue but fresh proceedings for the same purpose may be initiated under the new provision.

38. In the present case, as noted earlier, Section 6 of the General Clauses Act has no application. There is no saving provision in favour of pending proceedings. Therefore action for realisation of the amount refunded can only be taken under the new provision in accordance with the terms thereof."

27. The appellant then contended that the repeal and savings clause as embodied in Rule 158 of the 2017 Rules only seeks to ensure that the applications as filed under the 2002 Rules and pending on the date of the enactment of the 2017 Rules are not required to be refiled and that actions taken under the 2002 Rules are neither annulled nor effaced. However, and according to the appellant, Rule 158 of the 2017 Rules cannot be interpreted as intending a continued application of the 2002 Rules to those proceedings. Therefore, the appellant contended that even though the pleadings on the opposition were completed prior the repeal of the 2002 Rules, the hearing and the final decision having been rendered only in 2019, i.e., after the passing of the 2017 Rules, it would be those rules which would apply. According to learned counsel, it was the 2017 Rules which were to be considered while considering the time limit for filing the evidence in support of opposition and that the learned Single Judge committed an error in holding that the 2002 Rules were the relevant rules for the said purpose.



28. The appellant then contended that the legal position should be recognised to be that in the absence of a specific bar in the amended enactment or amended provision, the proceedings pending under the repealed law would be able to draw benefit of the amended enactment or amended provision as the case may be. The appellant sought to draw strength for the aforementioned submission from the following passages as forming part of the judgment of the Supreme Court in **Dhannalal v. D.P Vijayvargiya**¹⁶:

“7. In this background, now it has to be examined as to what is the effect of omission of sub-section (3) of Section 166 of the Act. From the amending Act it does not appear that the said sub-section (3) has been deleted retrospectively. But at the same time, there is nothing in the amending Act to show that benefit of deletion of sub-section (3) of Section 166 is not to be extended to pending claim petitions where a plea of limitation has been raised. The effect of deletion of sub-section (3) from Section 166 of the Act can be tested by an illustration. Suppose an accident had taken place two years before 14-11-1994 when sub-section (3) was omitted from Section 166. For one reason or the other no claim petition had been filed by the victim or the heirs of the victim till 14-11-1994. Can a claim petition be not filed after 14-11-1994 in respect of such accident? Whether a claim petition filed after 14-11-1994 can be rejected by the Tribunal on the ground of limitation saying that the period of twelve months which had been prescribed when sub-section (3) of Section 166 was in force having expired the right to prefer the claim petition had been extinguished and shall not be revived after deletion of sub-section (3) of Section 166 w.e.f. 14-11-1994? According to us, the answer should be in negative. When sub-section (3) of Section 166 has been omitted, then the Tribunal has to entertain a claim petition without taking note of the date on which such accident had taken place. The claim petitions cannot be thrown out on the ground that such claim petitions were barred by time when sub-section (3) of Section 166 was in force. It need not be impressed that Parliament from time to time has introduced amendments in the old Act as well as in the new Act in order to protect the interests of the victims of the accidents and their heirs if the victims die. One such amendment has been introduced in

¹⁶ (1996) 4 SCC 652



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the Act by the aforesaid Amendment Act 54 of 1994 by substituting sub-section (6) of Section 158 which provides:

"158. (6) As soon as any information regarding any accident involving death or bodily injury to any person is recorded or report under this section is completed by a police officer, the officer in charge of the police station shall forward a copy of the same within thirty days from the date of recording of information or, as the case may be, on completion of such report to the Claims Tribunal having jurisdiction and a copy thereof to the concerned insurer, and where a copy is made available to the owner, he shall also within thirty days of receipt of such report, forward the same to such Claims Tribunal and insurer."

In view of sub-section (6) of Section 158 of the Act the officer-in-charge of the police station is enjoined to forward a copy of information/report regarding the accident to the Tribunal having jurisdiction. A copy thereof has to also be forwarded to the insurer concerned. It also requires that where a copy is made available to the owner of the vehicle, he shall within thirty days of receipt of such copy forward the same to the Claims Tribunal and insurer. In this background, the deletion of sub-section (3) from Section 166 should be given full effect so that the object of deletion of the said section by Parliament is not defeated. If a victim of the accident or heirs of the deceased victim can prefer claim for compensation although not being preferred earlier because of the expiry of the period of limitation prescribed. how the victim or the heirs of the deceased shall be in a worse position if the question of condonation of delay in filing the claim petition is pending either before the Tribunal, the High Court or the Supreme Court. The present appeal is one such case. The appellant has been pursuing from the Tribunal to this Court. His right to get compensation in connection with the accident in question is being resisted by the respondents on the ground of delay in filing the same. If he had not filed any petition for claim till 14-11-1994 in respect of the accident which took place on 4-12-1990, in view of the amending Act he became entitled to file such claim petition, the period of limitation having been deleted, the claim petition which has been filed and is being pursued up to this Court cannot be thrown out on the ground of limitation."

29. The appellant also placed reliance upon the judgement of the Supreme Court in **Board of Control of Cricket in India v. Kochi**



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Cricket Private Ltd. & Ors¹⁷ to contend that proceedings pending under the repealed law would get the benefit of the amended procedure. The relevant parts of the said judgment, as relied upon by the appellant are extracted hereinbelow as follows:

“62. In *Narhari Shivram Shel Narvekar v. Pannalal Umediram*, this Court, following *Lalji Rajaz*, held as follows: (SCC p. 207, para 8)

“8. The learned counsel appearing for the appellant however submitted that since the Code of Civil Procedure was not applicable to Goa the decree became inexecutable and this being a vested right could not be taken away by the application of the Code of Civil Procedure to Goa during the pendency of the appeal before the Additional Judicial Commissioner. It seems to us that the right of the judgment-debtor to pay up the decree passed against him cannot be said to be a vested right, nor can the question of executability of the decree be regarded as a substantive vested right of the judgment—debtor. A fortiori the execution proceedings being purely a matter of procedure it is well settled that any change in law which is made during the pendency of the cause would be deemed to be retroactive in operation and the appellate court is bound to take notice of the change in law.”

Since it is clear that execution of a decree pertains to the realm of procedure, and that there is no substantive vested right in a judgment—debtor to resist execution, Section 36, as substituted, would apply even to pending Section 34 applications on the date of commencement of the Amendment Act.

63. The matter can also be looked at from a slightly different angle. Section 36, prior to the Amendment Act, is only a clog on the right of the decree-holder, who cannot execute the award in his favour, unless the conditions of this section are met. This does not mean that there is a corresponding right in the judgment—debtor to stay the execution of such an award. The learned counsel on behalf of the appellants have, however, argued that a substantive change has been made in the award, which became an executable decree only after the Section 34 proceedings were over, but which is now made executable as if it was a decree with immediate effect, and that this change would, therefore, take

¹⁷ (2018) 6 SCC 287



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away a vested right or accrued privilege in favour of the respondents. It has been argued, relying upon a number of judgments, that since Section 36 is a part of the enforcement process of awards, there is a vested right or at least a privilege accrued in favour of the appellants in the unamended 1996 Act applying insofar as arbitral proceedings and court proceedings in relation thereto have commenced, prior to the commencement of the Amendment Act. The very judgment strongly relied upon by the Senior Counsel for the appellants, namely, *Garikapati Veeraya* [*Garikapati Veeraya v. N. Subbiah Choudhry*, 1957 SCR 488 : AIR 1957 SC 540] , itself states in Proposition (v) at p. 515, that the vested right of appeal can be taken away only by a subsequent enactment, if it so provides specifically or by necessary intendment and not otherwise. We have already held that Section 26 does specifically provide that the court proceedings in relation to arbitral proceedings, being independent from arbitral proceedings, would not be viewed as a continuation of arbitral proceedings, but would be viewed separately. This being the case, it is unnecessary to refer to the judgments such as *Union of India v. A.L. Rallia Ram* [*Union of India v. A.L. Rallia Ram*, (1964) 3 SCR 164 : AIR 1963 SC 1685] and *NBCC Ltd. v. J.G. Engg. (P) Ltd.* [*NBCC Ltd. v. J.G. Engg. (P) Ltd.*, (2010) 2 SCC 385 : (2010) 1 SCC (Civ) 416] , which state that a Section 34 proceeding is a supervisory and not an appellate proceeding.”

30. It was then contended by the appellant that the presumption against retrospective operation does not apply to matters of procedure and that all pending actions would be governed by the amended procedure. In this regard, reliance was placed on the judgment in **Securities and Exchange Board of India v. Classic Credit Limited**¹⁸, the relevant parts whereof are extracted hereinbelow:

“50. We have also no doubt, that alteration of ‘forum’ has been considered to be procedural, and that, we have no hesitation in accepting the contention advanced on behalf of the SEBI, that change of ‘forum’ being procedural, the amendment of the ‘forum’ would operate retrospectively, irrespective of whether the offence allegedly committed by the accused, was committed prior to the amendment.

¹⁸ (2018) 13 SCC 1



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55. In the latter situation referred to (and debated) in the preceding paragraph, where the remedy had been availed of prior to the amendment, even according to learned counsel for the private parties, unless the amending provision by express words, or by necessary implication, mandates the transfer of proceedings to the 'forum' introduced by the amendment, the 'forum' postulated by the unamended provision, would continue to have the jurisdiction to adjudicate upon pending matters (matters filed before amendment). In view of the above, we are of the considered view, that no vested right can be claimed with reference to 'forum', where the concerned court, had not taken cognizance and commenced trial proceedings, in consonance with the unamended provision."

31. It is in the aforesaid backdrop that the appellant contended that rules governing evidence in support of opposition being procedural in nature would be liable to be viewed as directory and not mandatory and therefore would operate retrospectively. Learned counsel sought to draw sustenance in this regard from the following passages as appearing in the decision of the Full Bench of this Court in *Hastimal Jain Trading*:

"19. We have considered the rival submissions and read the various Judgments. The determination of the questions raised would depend on whether Rule 53 (2) can be said to be mandatory or merely directory. Mere use of the word "shall" is not sufficient to treat the Rule as mandatory. Even though the word "shall" prima facie indicates that it is mandatory, still the Court must ascertain the real intention of the Legislature by looking to the Statute as a whole. It must also be remembered that a legal fiction cannot be stretched beyond the purpose for 'which it was enacted. As seen above the legal fiction is not absolute. It is limited by the words "unless" the Registrar otherwise directs". In our view it is significant that wherever the Legislature intended to prescribe a fixed time, which-could not be extended, it has specifically so done. The necessary 'implication, of this is that in all other cases the time was not to be fixed but one which would be within the power of the Registrar to ex- tend. Undoubtedly the intention of the Legislature was to minimise delays. For that fixed time is laid down in the Statute itself. However a reading of Section 21 itself shows that for procedural matters like filing



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evidence the Legislature was not laying down a fixed time in the Statute. This view is supported by a reading of Section 101 and Rule 106. Section 101 indicates that the only circumstance under which time cannot be extended by the Registrar is where a time has been expressly provided in the Act. Similarly, under Rules 106 the time can be extended by the Registrar, in all cases except for the four, which have been mentioned in paragraph 14 above. It is all the more significant that Rule 53 (2) and Rule 54 have not been included in Rule 106. To interpret it otherwise would be to add in Rule 106 the words "or Rule 53". The Legislature has purposely omitted to do so. It is not possible to accept submission that Rule 53 gets incorporated in Section 21. If the Legislature wanted to provide a fixed term of two months in Section 21 (4) as they have done in Section 21 (1) and (2), they would have done so. This interpretation is also borne out by the fact that the deeming provision, in Rule 53 (2), comes into play only if the Registrar does not otherwise direct. The fact that the legal fiction is subject to the direction of the Registrar also shows that it is not absolute but is being controlled by discretion of Registrar. In our view Section 101 and Rule 106 permit the Registrar to extend time, even though the time has expired. To hold otherwise would be to negate the words to that effect used both in Section 101 as well as Rule 106. We are thus in agreement with the view expressed by the Bombay High Court and the Gujarat High Court. We disagree with the view expressed in the case reported in 1978 (3) PLR 148 and in the Order dated 30th January 1995 in C.M. (M) 59/95.

20. In this view of the matter was answer the questions accordingly:-

(a) Rule 53 (2) of the Trade and Merchandise Marks Rules, 1959 is merely directory and not mandatory.

(b) & (c) The Registrar has power to extend time for filing evidence even though the period mentioned in Rule 53 or the extended period thereof has expired and even though an application for extension of time is made beyond that period."

32. The appellant also placed reliance upon the Gujarat High Court judgment in *Wyeth Holdings* to buttress his submission that rules governing submission of evidence in support of opposition should be viewed as being directory in character. The appellant also sought to base his submission on the well settled precept of rules of procedure being liable to be interpreted so as to advance the cause of justice as



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opposed to suppressing that supervening objective. It was submitted that the Court should accord an interpretation which would not only promote the cause of justice but additionally prevent miscarriage of justice. For this, reliance was placed on the observations as finding place in **State of Bihar v. Bihar Rajya Bhumi**¹⁹ and **Kailash v. Nankhu & Ors**²⁰: In *Bihar Rajya Bhumi*, the Supreme Court pertinently observed: -

“19. It will thus be seen that Section 34(5) does not deal with the power of the Court to condone the non-compliance thereof. It is imperative to note that the provision is procedural, the object behind which is to dispose of applications under Section 34 expeditiously. One must remember the wise observation contained in Kailash (supra), where the object of such a provision is only to expedite the hearing and not to scuttle the same. All rules of procedure are the handmaids of justice and if, in advancing the cause of justice, it is made clear that such provision should be construed as directory, then so be it.

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21. Section 80, though a procedural provision, has been held to be mandatory as it is conceived in public interest, the public purpose underlying it being the advancement of justice by giving the Government the opportunity to scrutinize and take immediate action to settle a just claim without driving the person who has issued a notice having to institute a suit involving considerable expenditure and delay. This is to be contrasted with Section 34(5), also a procedural provision, the infraction of which leads to no consequence. To construe such a provision as being mandatory would defeat the advancement of justice as it would provide the consequence of dismissing an application filed without adhering to the requirements of Section 34(5), thereby scuttling the process of justice by burying the element of fairness.”

33. In *Kailash*, the Supreme Court while considering the question as to whether the timelines for filing a written statement as provided under

¹⁹ (2018) 9 SCC 472

²⁰ (2005) 4 SCC 480



Order VIII, Rule 1 of the Code of Civil Procedure, 1908 would be mandatory or directory observed as follows:

“32. Our attention has also been invited to a few other provisions such as Rules 9 and 10 of Order VIII. In spite of the time limit appointed by Rule 1 having expired, the court is not powerless to permit a written statement being filed if the court may require such written statement. Under Rule 10, the court need not necessarily pronounce judgment against the defendant who failed to file written statement as required by Rule 1 or Rule. The court may still make such other order in relation to the suit as it thinks fit.

33. As stated earlier, Order VIII, Rule 1 is a provision contained in the CPC and hence belongs to the domain of procedural law. Another feature noticeable in the language of Order VIII Rule 1 is that although it appoints a time within which the written statement has to be presented and also restricts the power of the Court by employing language couched in a negative way that the extension of time appointed for filing the written statement was not to be later than 90 days from the date of service of summons yet it does not in itself provide for penal consequences to follow if the time schedule, as laid down, is not observed. From these two features certain consequences follow.

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41. Considering the object and purpose behind enacting Rule 1 of Order VIII in the present form and the context in which the provision is placed, we are of the opinion that the provision has to be construed as directory and not mandatory. In exceptional situations, the court may extend the time for filing the written statement though the period of 30 days and 90 days, referred to in the provision, has expired. However, we may not be misunderstood as nullifying the entire force and impact the entire life and vigour of the provision. The delaying tactics adopted by the defendants in law courts are now proverbial as they do stand to gain by delay. This is more so in election disputes because by delaying the trial of election petition, the successful candidates may succeed in enjoying the substantial part, if not in its entirety, the term for which he was elected even though he may loose the battle at the end. Therefore, the judge trying the case must handle the prayer for adjournment with firmness. The defendant seeking extension of time beyond the limits laid down by the provision may not ordinarily be shown indulgence.”



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34. Finally, it was contended that the 2017 Rules cannot override the provisions of the 1999 Act and that the said Rules are only meant to support the substantive legislation. Merely because a provision is couched in negative language or because the principles of deemed abandonment are introduced, it does not mean that the same is in fact mandatory. Relying upon the judgment of *Kailash*, the appellant contended that a provision has to be construed keeping in mind the context as well as the intent underlying the enactment and being conscious of the provision being recognised as directory even if it be couched in a negative form.

35. In this context, it was contended that Section 131 of the 1999 Act provides for extension of time and consequently the 2017 Rules must be construed harmoniously with the provisions of the Act. Learned counsel submitted that viewed in that light it would become evident that the provision prescribing a particular time limit is liable to be viewed and acknowledged to be directory and not mandatory. It was also contended that the judgment in *Surinder* would have no application since it was rendered in the context of the 2002 Rules and which were couched in peremptory terms. It was therefore and in the aforesaid backdrop argued that the Registrar should be recognised to have the power to condone delay pursuant to Section 131 of the 1999 Act even if the timelines provided under the 2017 Rules had expired.

F. SUBMISSIONS OF THE SECOND RESPONDENT IN THE MAHESH GUPTA APPEAL

36. Appearing for the second respondent in the Mahesh Gupta appeal, Ms. Swathi Sukumar, learned counsel addressed the following



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submissions. Ms. Sukumar firstly pointed out that admittedly and on the facts which obtained, every step connected with the opposition had been taken prior to the introduction of the 2017 Rules. Learned counsel laid emphasis on the savings clause as comprised in Rule 158 which came to be introduced by the 2017 Rules and which, according to her, saved all acts done or accomplished under the 2002 Rules. According to Ms. Sukumar, Rule 158 embodies the clear intent of the author to save all actions taken by parties under the 2002 Rules. According to Ms. Sukumar, the words “*anything done*” as employed in the savings clause would inevitably include legal consequences which flow from the statutory regime which prevailed at the relevant time. In this regard, she drew our attention to the following principles as adumbrated by the Supreme Court in **Universal Imports Agency & Anr. Vs. Chief Controller of Imports & Exports & Ors**²¹.

“16. What were the “things done” by the petitioners under the Pondicherry law? The petitioners in the course of their import trade, having obtained authorization for the foreign exchange through their bankers, entered into firm contracts with foreign dealers on C.I.F. terms. In some cases irrevocable Letters of Credit were opened and in others bank drafts were sent towards the contracts. Under the terms of the contracts the sellers had to ship the goods from various foreign ports and the buyers were to have physical delivery of the goods after they had crossed the customs barrier in India. Pursuant to the terms of the contracts, the sellers placed the goods on board the various ships, some before and others after the merger, and the goods arrived at Pondicherry port after its merger with India. The prices for the goods were paid in full to the foreign sellers and the goods were taken delivery of by the buyers after examining them on arrival. Before the merger if the Customs Authorities had imposed any restrictions not authorised by law, the affected parties could have enforced the free entry of the goods in a court of law. On the said facts a short question arises whether para 6 of the Order protects the petitioners. While learned counsel for the petitioners contends

²¹ (1961) 1 SCR 305



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that “things done” take in not only things done but also their legal consequences, learned counsel for the State contends that, as the goods were not brought into India before the merger, it was not a thing done before the merger and, therefore, would be governed by the enactments specified in the Schedule. It is not necessary to consider in this case whether the concept of import not only takes in the factual bringing of goods into India, but also the entire process of import commencing from the date of the application for permission to import and ending with the crossing of the customs barrier in India. The words “things done” in para 6 must be reasonably interpreted and, if so interpreted, they can mean not only things done but also the legal consequences flowing therefrom. If the interpretation suggested by the learned counsel for the respondents be accepted, the saving clause would become unnecessary. If what it saves is only the executed contracts i.e. the contracts whereunder the goods have been imported and received by the buyer before the merger, no further protection is necessary as ordinarily no question of enforcement of the contracts under the pre-existing law would arise. The phraseology used is not an innovation but is copied from other statutory clauses. Section 6 of the General clauses Act (10 of 1897) says that unless a different intention appears, the repeal of an Act shall not affect anything duly done or suffered thereunder. So too, the Public Health Act of 1858 (38 & 39 Vict. c. 55) which repealed the Public Health Act of 1848 contained a proviso to Section 343 to the effect that the repeal “shall not affect anything duly done or suffered under the enactment hereby repealed”, This proviso came under judicial scrutiny in *Queen v. Justices of the West Riding of Yorkshire* [(1876) 1 QBD 220] . There notice was given by a local board of health of intention to make a rate under the Public Health Act, 1848, and amending Acts. Before the notice had expired these Acts were repealed by the Public Health Act, 1875, which contained a saving of “anything duly done” under the repealed enactments, and gave power to make a similar rate upon giving a similar notice. The board, in ignorance of the repeal, made a rate purporting to be made under the repealed Acts. It was contended that as the rate was made after the repealing Act, the notice given under the repealed Act was not valid. The learned Judges held that as the notice was given before the Act, the making of the rate was also saved by the words “anything duly done” under the repealed enactments. This case illustrates the point that it is not necessary that an impugned thing in itself should have been done before the Act was repealed, but it would be enough if it was integrally connected with and was a legal consequence of a thing done before the said repeal. Under similar circumstances Lindley, L.J., in *Heston and Isleworth Urban District Council v. Grout* [(1897) 2 Ch 306] confirmed the validity of the



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rate made pursuant to a notice issued prior to the repeal. Adverting to the saving clause, the learned Judge tersely states the principle thus at p. 313:“That to my mind preserves that notice and the effect of it”. On that principle the court of appeal held that the rate which was the effect of the notice was good.

17. It is suggested that the phraseology of the saving clause of the English Statutes and of the General clauses Act of 1897 are of wider import than that of para 6 of the Order and, therefore, the English decisions are not of any assistance in considering the scope of the saving clause of the Order. It is further stated that the English decisions apply only to a saving clause of an Act which repeals another but preserves the right created by the latter. We do not see any reason why the same construction cannot be placed upon the wording of para 6 of the Order which is practically similar in terms as those found in the relevant saving clause of the English Statute and that of the General clauses Act.

18. Nor can we find any justification for the second criticism. In the instant case the legal position is exactly the same. By reason of the Indo-French Agreement the Government of India made the Order under the Foreign Jurisdiction Act applying the Indian laws to Pondicherry, The effect of that Order was that the French laws were repealed by the application of the Indian laws in the same field occupied by the French laws subject to a saving clause. The position is analogous to that of a statute repealing another with a saving clause. If the English decisions apply to the latter situation, we do not see how they do not apply to the former. In both the cases the pre-existing law continues to govern the things done before a particular date. We, therefore, hold that the words “things done” in para 6 of the Order are comprehensive enough to take in a transaction effected before the merger, though some of its legal effects and consequences projected into the post-merger period.”

37. According to Ms. Sukumar, the consequences which would flow from the position of irrevocability which would come into effect under the 2002 Rules can neither be effaced nor overcome merely because those rules ultimately came to be repealed. It was her submission that the non-filing of evidence in support of opposition within the time stipulated under the 2002 Rules was coupled with the consequences of that omission, namely deemed abandonment and would thus fall within the ambit of “*anything done*” under those Rules. According to Ms.



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Sukumar, the deemed abandonment of the opposition came into effect on or about February 2010 and thus well before the introduction of the 2017 Rules. According to learned counsel, the consequences of deemed abandonment having come into effect in the year 2010 itself, and thus much prior to the promulgation of the 2017 Rules, cannot be either effaced nor overcome. Learned counsel further submitted that merely because the Registrar ultimately chose to rule upon the aforesaid issue in 2019 would equally be of no consequence.

38. Learned counsel then submitted that the view taken in *SAP SE* is clearly erroneous in light of the undisputed position which emerges from a conjoint reading of paras 12 and 23 of the judgment and which would establish that although the learned Judge had reproduced Rule 158, the Court ultimately observed and held in para 23 that no savings clause had been introduced. Ms. Sukumar also assailed the correctness of the opinion expressed in *SAP SE* and which rested upon the decision of the Supreme Court in *Kohlapur Canesugar Works* contending that the learned Judge ignored the admitted position of the said decision dealing with a case where no savings clause stood incorporated in the Rules which formed the subject matter of consideration.

39. Ms. Sukumar then contended that undoubtedly the 2002 Rules had been framed by virtue of Section 157 of the 1999 Act. It was her submission that the rules so framed would form an integral part of the Act itself. Drawing our attention to the decision of the Supreme Court in **Chief Conservator (Wildlife) vs. Nisar Khan**²², Ms. Sukumar submitted that a statutory rule, while subordinate to the parent

²² (2003) 4 SCC 595



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enactment, is liable to be treated as a part thereof and as effective as the principal enactment itself. According to learned counsel, rules must, for purposes of construction, be treated as if they were contained in the Act and consequently liable to be interpreted accordingly. Ms. Sukumar relied upon the following passage from *Nisar Khan* in support of the said proposition:

“19. It is now well settled that when rules are validly framed, they should be treated as a part of the Act. A conjoint reading of the provisions of the Act and the Rules as referred to hereinbefore, leaves no manner of doubt that although grant of licence in respect of birds in captivity is not altogether prohibited but before grant of licence the licensing authority is under a statutory obligation to ensure that thereby inter alia the provisions of Section 9 of the Act as also the provisions of the Rules are not violated. The Act, as noticed hereinbefore, seeks to protect wild animals. Any provision contained in the Act aiming protection of wild animals, must necessarily be strictly complied with. When hunting of the birds specified in Schedule IV is prohibited, there cannot be any doubt whatsoever that no person can be granted a licence to deal in birds in captivity which are procured by hunting which, as indicated hereinbefore, would also include trapping. It is one thing to say that by reason of breeding of birds in captivity their population is raised, but it is another thing to say that the birds are trapped before they are made captive so as to enable the licensee to deal in them. The latter is clearly prohibited. Rule 3 of the 1983 Rules clearly postulates that the licensing authority is not only required to consider the source and the manner in which the supplies for the business concerned would be obtained but also is required to bestow serious consideration as regards implications which the grant of such licence would have on the hunting or trade of the wild animals concerned. When the licensing authority arrives at a finding of fact having regard to the past transactions of a licensee that it cannot carry on any business by reason of breeding of captive birds but necessarily therefor he is to hunt, he would be justified in refusing to grant a licence in terms of the provisions of the Act. Unless the provisions of the Act and the Rules are construed strictly and in the manner as observed hereinbefore, the very purpose for which the Act has been enacted would be lost.”



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40. Learned counsel in this regard also drew our attention to the following observations as rendered by the Supreme Court in **State of Tamil Nadu vs. Hind Stone**²³.

“11. The submission of the learned counsel that the impugned rule contravened Articles 301 and 303 of the Constitution is equally without force. Now, “the restrictions freedom from which is guaranteed by Article 301 would be such restrictions as directly and immediately restrict or impede the free flow or movement of trade” (*Atiabari Tea Co. Ltd. v. State of Assam* [AIR 1961 SC 232 : (1961) 1 SCR 809]). And, “regulatory measures or measures imposing compensatory taxes for the use of trading facilities do not come within the purview of restrictions contemplated by Article 301”. “They are excluded from the purview of the provisions of Part XIII of the Constitution for the simple reason that they do not hamper, trade, commerce or intercourse but rather facilitate them” [*Automobile Transport (Rajasthan) Ltd. v. State of Rajasthan* [AIR 1962 SC 1406 : (1963) 1 SCR 491]]. The Mines and Minerals (Regulation and Development) Act is, without doubt a regulatory measure, Parliament having enacted it for the express purpose of “the regulation of mines and the development of minerals”. The Act and the rules properly made thereunder are, therefore, outside the purview of Article 301. Even otherwise Article 302 which enables Parliament, by law, to impose such restrictions on the freedom of trade, commerce or intercourse between one State and another or within any part of the territory of India as may be required in the public interest also furnishes an answer to the claim based on the alleged contravention of Article 301. The Mines and Minerals (Regulation and Development) Act is a law enacted by Parliament and declared by Parliament to be expedient in the public interest. Rule 8-C has been made by the State Government by notification in the Official Gazette, pursuant to the power conferred upon it by Section 15 of the Act. A statutory rule, while ever subordinate to the parent statute, is, otherwise, to be treated as part of the statute and as effective. “Rules made under the statute must be treated for all purposes of construction or obligation exactly as if they were in the Act and are to be of the same effect as if contained in the Act and are to be judicially noticed for all purposes of construction or obligation” (*State of U.P. v. Babu Ram Upadhyaya* [AIR 1961 SC 751 : (1961) 2 SCR 679, 702 : (1961) 1 Cri LJ 773] ; see also Maxwell: Interpretation of Statutes, 11th Edn., pp. 49-50). So, statutory rules made pursuant to the power

²³ 1981 (2) SCC 205



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entrusted by Parliament are law made by Parliament within the meaning of Article 302 of the Constitution. To hold otherwise would be to ignore the complex demands made upon modern legislation which necessitate the plenary legislating body to discharge its legislative function by laying down broad guidelines and standards, to lead and guide as it were, leaving it to the subordinate legislating body to fill up the details by making necessary rules and to amend the rules from time to time to meet unforeseen and unpredictable situations, all within the framework of the power entrusted to it by the plenary legislating body. *State of Mysore v.H. Sanjeeviah* [AIR 1967 SC 1189 : (1967) 2 SCR 361] was cited to us to show that rules did not become part of the statute. That was a case where by reference to Section 77 of the Mysore Forest Act which declared the effect of the rules, it was held that the rules when made did not become part of the Act. That was apparently because of the specific provisions of Section 77 which while declaring that the rules would have the force of law stopped short of declaring that they would become part of the Act. In the absence of any express provision, as now, the ordinary rule as enunciated in *Maxwell and State of Uttar Pradesh v. Babu Ram Upadhyaya* [AIR 1961 SC 751 : (1961) 2 SCR 679, 702 : (1961) 1 Cri LJ 773] would perforce apply.”

41. Proceeding further, Ms. Sukumar submitted that the consequence of deemed abandonment is one which was prescribed in the 2002 Rules itself. According to learned counsel, the statutory consequences of deemed abandonment can neither be waived nor overcome by the Registrar. Learned counsel laid stress upon the inflexibility of the timelines comprised in the 2002 Rules and which was an aspect which was considered in some detail in *Surinder Corporation*. Ms. Sukumar laid emphasis on the following passages from that decision:

“7. The crucial expressions used in the aforesaid provision are ‘in the prescribed manner’ and ‘within the prescribed time’. It, therefore, becomes necessary to examine as to what is meant by the word ‘prescribed’. Section 2(1)(s) defines ‘prescribed’ to mean prescribed by rules made under the Act. Section 157 of the 1999 Act relates to the powers of the Central Government to make rules. Sub- Section (2) provides the specific matters for which rules may be made. Clause (vii) of Sub-section (2) specifically refers to submission of evidence and the time therefor under Sub-section (4) of Section 21. It is clear that the Central



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Government had power to make rules with regard to, *inter alia*, submission of evidence and the time therefor under Sub-section (4) of Section 21. The 2002 Rules specifically provide for evidence in support of an opposition under Rule 50 thereof. The said rule reads as under:

“50. *Evidence in support of opposition.*—(1) Within two months from services on him of a copy of the counter-statement or within such further period not exceeding one month in the aggregate thereafter as the Registrar may on request allow, the opponent shall either leave with the Registrar, such evidence by way of affidavit as he may desire to adduce in support of his opposition or shall intimate to the Registrar and to the applicant in writing that he does not desire to adduce evidence in support of his opposition but intends to rely on the facts stated in the notice of opposition. He shall deliver to the applicant copies of any evidence that he leaves with the Registrar under this sub-rule and intimate the Registrar in writing of such delivery.

(2) If an opponent takes no action under Sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition.

(3) An application for the extension of the period of one month mentioned in Subrule (1) shall be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein.”

8. Reading Rule 50, it is clear that the evidence by way of affidavit in support of an opposition to the registration of a trade mark has to be filed within two months of the service of a copy of the counter-statement on the opponent. This period of two months is further extendable by a period of one month in the aggregate thereafter as the Registrar may on request allow. Clearly, in the first instance, the evidence affidavit has to be filed within two months of the receipt of a copy of the counter-statement. The Registrar may extend this period by a further one month in the aggregate if a request for the same is made in time. Sub-rule (2) of Rule 50 makes it clear that if an opponent takes no action under Sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition. It is also interesting to note that Sub-rule (3) refers to the application for extension of the period of one month mentioned in Sub-rule (1). It is also stipulated that such an application has to be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein. So, it is clear that a strict regimen has been prescribed for the filing of evidence by way of affidavit in support of an opposition. A plain reading of the



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provisions makes it abundantly clear that the evidence has to be filed within two months in the first instance and, if an appropriate application for extension of time is made before the expiry of the period of two months and if such application is allowed by the Registrar, then latest by a further month. In other words, under no circumstances can the evidence affidavit be filed beyond the maximum three months prescribed under the said rule. In case the opponent has not taken steps within the prescribed time, then there is no option left with the Registrar but to deem that the opponent has abandoned his opposition.

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13. The Registrar has been empowered to extend time for doing certain acts provided he is satisfied that there is sufficient cause for extending the time. But there is an exception to this power. The exception being that it must not be a case where time is expressly provided in the Act. Rule 105 of the 2002 Rules, which is also sought to be pressed into service by the learned Counsel for the respondent No. 1, reads as under:

“105. Extension of time.—(1) An application for extension of time under Section 131 (not being a time expressly provided in the Act or prescribed by Rule 79 or by Sub-rule (4) of Rule 80 or a time for the extension of which provision is made in the rules) shall be made in Form TM-56.

(2) Upon an application made under Sub-rule (1) the Registrar, if satisfied that the circumstances are such as to justify the extension of the time applied for, may, subject to the provisions of the rules where a maximum time limit is prescribed and subject to such conditions as he may think fit to impose, extend the time and notify the parties accordingly and the extension may be granted though the time for doing the act or taking the proceeding for which it is applied for has already expired.”

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15. Therefore, in cases where time is expressly provided for doing of an act under the 1999 Act or where provision for extension of time for doing such act is made in the rules itself, then Rule 105 would have no applicability. The argument advanced by the learned Counsel for the respondent No. 1 that Rule 105 would apply, therefore, cannot be accepted. As already indicated above, the time prescribed for the filing of an evidence affidavit has to be construed as if the same had been stipulated by the 1999 Act itself. In any event, Rule 50(1) specifically makes provision for the extension of time for filing the evidence affidavit. That being the case, Rule 105 cannot have any application. It is interesting to



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note that both Rule 50 and Rule 105 require that the application for extension of time be made in Form TM-56. If the view espoused by the learned Counsel for the respondent No. 1 is to be taken, then the provisions of Rule 50 would be rendered otiose. An exception has been carved out in Rule 105 with regard to provisions made in the Rules for extension of time. But, no exception has been made in Rule 50. Therefore, Rule 105 would have no application insofar as the filing of an evidence affidavit in support of an opposition beyond the prescribed time is concerned. It is only Rule 50 which would apply. In fact, Sub-rule (2) of Rule 105 itself circumscribes the power of the Registrar to extend time by using the expression 'subject to the provisions of the rules where a maximum time limit is prescribed'. Rule 50(1) prescribes a maximum time limit. Therefore, even under Rule 105, the Registrar cannot extend time beyond the prescribed maximum time limit.

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21. In *Ramachandra* (supra), the Supreme Court observed that in *Taylor v. Taylor*, 1875 (1) Ch D 426, Jessel M.R. adopted the rule that where a power is given to do a certain thing in a certain way, the thing must be done in that way or not at all and that other methods of performance are necessarily forbidden. The Supreme Court further observed that this rule had stood the test of time. In that very case [*Ramachandra* (supra)], the Supreme Court placing reliance on Craies on Statute Law, 7th Edn. observed that with regard to the question as to whether a provision was mandatory or directory, no uniform rule could be laid down as to whether mandatory enactments should be considered directory only or obligatory with an implied nullification for disobedience. The Supreme Court further observed that it is the duty of Courts of justice to try to get at the real intention of the Legislature by carefully attending to the whole scope. Such intention of the Legislature is, therefore, to be ascertained upon a review of the language, subject-matter and importance of the provision in relation to the general object intended to be secured, the mischief, if any, to be prevented and the remedy to be promoted by the Act. Considering the provisions and making a comparative study of the old and the new Act as well as the old and the new rules, it is more than clear that specific words have been introduced in the new provisions and/or removed from the old provisions. Such additions and deletions are significant and bring out the true intention of the Legislature. For instance, Rule 53 of the 1959 Rules did not prescribe any maximum period of extension of time. Whereas Rule 50 of the 2002 Rules specifically provides for extension of time not exceeding one month in the aggregate. This introduces a clear stipulation that the Registrar's powers to grant extension of time are limited to one month in the aggregate



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beyond the two months prescribed under the said Rule. This limitation was not there in the earlier Rule, but it is definitely there in Rule 50 of the 2002 Rules. The second instance is that the words ‘unless the Registrar directs’ have been consciously deleted from Sub-rule (2) of Rule 53 in its new incarnation in Rule 50(2). It is obvious that the Legislature wanted to make the provision mandatory and did not want to give any discretion to the Registrar in this connection. The object is apparent that the delays be cut down in deciding the application for registration of a trade mark.

22. It is, therefore, quite clear that the answer to question No. 1 is that the Registrar does not have the power to extend the time for filing of the evidence affidavit in support of an opposition beyond the maximum period of three months prescribed under Rule 50(1) of the Trade Marks Rules, 2002 and that the answer to question No. 2 is that the non-filing of the evidence affidavit within the prescribed time would by itself lead to the conclusion that the opposition has been abandoned.”

In view of the principles enunciated in *Surinder Corporation*, Ms. Sukumar contended that the judgment as rendered in *Mahesh Gupta* deserves to be affirmed.

42. Proceeding further, Ms. Sukumar submitted that the opinion in *SAP SE* proceeds on the incorrect premise of the applicability of *Hastimal Jain* losing sight of the fact that the 2002 Rules constituted a radical departure from the position which existed under the 1959 Rules. Learned counsel laid stress on Rule 53(2) of the 1959 Rules embodying the expression “*unless the Registrar otherwise directs*” and which, according to Ms. Sukumar, constituted an aspect of criticality and on which *Hastimal Jain* was founded. Ms. Sukumar submitted that Rule 50 of the 2002 Rules in stark contrast to Rule 53(2) conferred no discretion upon the Registrar to frame directions which may have avoided the deemed abandonment which would have statutorily come into effect consequent to a failure to submit evidence within the maximum period as prescribed.



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43. According to learned counsel, the opinion in *SAP SE* incorrectly proceeds on the premise that the 2017 Rules had restored the statutory regime to the position as it existed under the 1958 Act and the 1959 Rules. This, according to Ms. Sukumar, is clearly based on an evident and apparent misreading of the statutory provisions. It was submitted that the distinction between the 1959 and 2002 Rules was one which was eloquently explained in *Surinder Corporation* as would be evident from paras 18 and 20 of the said decision extracted hereinabove.

44. Ms. Sukumar then submitted that the *SAP SE* opinion fails to bear in consideration the apparent differences between the provisions relating to evidence in support of opposition and evidence in support of application as was spoken of under the 2002 and 2017 Rules. It was submitted that evidence in support of opposition and evidence in support of application were treated differently under the 2002 Rules with abandonment being prescribed as a consequence only with respect to the non-filing of evidence in support of opposition. Ms. Sukumar sought to highlight the fact that the deemed abandonment principle did not find place in Rule 51 and which dealt with the subject of evidence in support of application. It was submitted that the sole consequence of Rule 51 of the 2002 Rules would be the Registrar not taking that evidence on record. As opposed to that position, Rule 46 of the 2017 Rules, according to Ms. Sukumar, in unequivocal terms stipulates and spells out the consequences of non-filing of evidence in support of application as resulting in abandonment itself.

45. However, and in our considered opinion, the submission which proceeds on a perceived distinction between evidence in support of



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opposition and that which is sought to be adduced in support of application would not sustain for reasons which we propose to record in the subsequent parts of this decision.

46. Ms. Sukumar also sought to distinguish the various judgments which were cited in the Mahesh Gupta appeal for the first time in terms of the written submissions which were filed by the appellant. However, since we shall be independently evaluating the applicability and relevance of those decisions, we do not propose to observe anything further at this stage.

G. ANALYSIS OF THE TRADEMARK STATUTORY FRAMEWORK

47. In order to examine the correctness of the rival submissions which were addressed, we firstly deem it apposite to notice the statutory position as it prevailed over a period of time commencing from the 1958 Act read together with the 1959 Rules till such time the original enactment came to be repealed in 1999, the introduction of the 2002 Rules and which were lastly replaced by the 2017 Rules. Section 21 of the 1958 Act while dealing with the subject of opposition to registration provided as follows:

“21. Opposition to registration.

(1) Any person may, within three months from the date of the advertisement or re- advertisement of an application for registration or within such further period, not exceeding one month in the aggregate, as the Registrar, on application made to him in the prescribed manner and on payment of the prescribed fee, allows, give notice in writing in the prescribed manner to the Registrar, of opposition to the registration.

(2) The Registrar shall serve a copy of the notice on the applicant for registration and, within two months from the receipt by the



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applicant of such copy of the notice of opposition, the applicant shall send to the Registrar in the prescribed manner a counter-statement of the grounds on which he relies for his application, and if he does not do so he shall be deemed to have abandoned his application.

(3) If the applicant sends such counter-statement the Registrar shall serve a copy thereof on the person giving notice of opposition.

(4) Any evidence upon which the opponent and the applicant may rely shall be submitted in the prescribed manner and within the prescribed time to the Registrar, and the Registrar shall give an opportunity to them to be heard if they so desire.

(5) The Registrar shall, after hearing the parties, if so required, and considering the evidence, decide whether and subject to what conditions or limitations, if any, the registration is to be permitted, and may take into account a ground of objection whether relied upon by the opponent or not.

(6) Where a person giving notice of opposition or an applicant sending a counter-statement after receipt of a copy of such notice neither resides nor carries on business in India, the Registrar may require him to give security for the costs of proceedings before him, and in default of such security being duly given, may treat the opposition or application, as the case may be, as abandoned.”

48. Section 101 of the 1958 Act enabled the Registrar to extend the time prescribed for doing any act and read as under:

“101. Extension of time.

(1) If the Registrar is satisfied, on application made to him in the prescribed manner and accompanied by the prescribed fee, that there is sufficient cause for extending the time for doing any act (not being a time expressly provided in the Act), whether the time so specified has expired or not, he may, subject to such conditions as he may think fit to impose, extend the time and notify the parties accordingly.

(2) Nothing in sub-section (1) shall be deemed to require the Registrar to hear the parties before disposing of an application for extension of time, and no appeal shall lie from any order of the Registrar under this section.”

49. Rule 53 in the 1959 Rules prescribed the following procedure for purposes of adducing evidence in support of opposition:

“53. EVIDENCE IN SUPPORT OF OPPOSITION. –



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(1) Within two months from the service on him of a copy of the counter-statement by the Registrar, the opponent shall either leave with the Registrar such evidence by way of affidavit as he may desire to adduce in support of his opposition or shall intimate to the Registrar and to the applicant in writing that he does not desire to adduce evidence in support of his opposition but intends to rely on the facts stated in the notice of opposition. He shall deliver to the applicant copies of any evidence that he leaves with the Registrar under this sub-rule.

(2) If an opponent takes no action under sub-rule (1) within the time therein prescribed, he shall, unless the Registrar otherwise directs, be deemed to have abandoned his opposition.”

50. The subject of evidence in support of application was regulated by Rule 54 of the 1959 Rules and which read thus:

“54. EVIDENCE IN SUPPORT OF APPLICATION. –

Within two months from the receipt by the applicant of the copies of affidavits in support of the opposition or of the intimation that the opponent does not desire to adduce any evidence in support of its opposition, the applicant shall leave with the Registrar such evidence by way of affidavit as he desires to adduce in support of his application and shall deliver to the opponent copies thereof or shall intimate to the Registrar and the opponent that he does not desire to adduce any evidence but intends to rely on the facts stated in the counter-statement and/or on the evidence already left by him in connection with the application in question. In case the applicant relies on any evidence already left by him in connection with the application, he shall deliver to the opponent copies thereof.”

51. In addition to Section 101 of the 1958 Act, the subject of extension of time was also regulated by Rule 106 of the 1959 Rules and which stood framed in the following terms:

“106. Extension of time:-

(1) An application for extension of time under section 101 [not being a time expressly provided in the Act or prescribed by rule 81 or by sub-rule (4) of Rule 82 or a time for the extension of which provision is made in the rules] shall be made on Form TM-56.



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(2) Upon an application made under sub-rule (1) the Registrar, if satisfied that the circumstances are such as to justify the extension of the time applied for, may, subject to the provisions of the rules where a maximum time limit is prescribed and subject to such conditions as he may think fit to impose, extend the time and notify the parties accordingly and the extension maybe granted though the time for doing the act or taking the proceeding for which it is applied for has already expired.”

52. Although the 1999 Act was promulgated on 30 December 1999, it came to be enforced with effect from 15 September 2003. In terms of Section 159 of the 1999 Act, the 1958 Act came to be repealed in the following terms:

“159 Repeal and savings.

(1) The Trade and Merchandise Marks Act, 1958 (43 of 1958) is hereby repealed.

(2) Without prejudice to the provisions contained in the General Clauses Act, 1897 (10 of 1987), with respect to repeals, any notification, rule, order, requirement, registration, certificate, notice, decision, determination, direction, approval, authorisation, consent, application, request or thing made, issued, given or done under the Trade and Merchandise Marks Act, 1958 (43 of 1958) shall, if in force at the commencement of this Act, continue to be in force and have effect as if made, issued, given or done under the corresponding provisions of this Act.

(3) The provisions of this Act shall apply to any application for registration of a trade mark pending at the commencement of this Act and to any proceedings consequent thereon and to any registration granted in pursuance thereof.

(4) Subject to the provisions of section 100 and notwithstanding anything contained in any other provision of this Act, any legal proceeding pending in any court at the commencement of this Act may be continued in that court as if this Act had not been passed.

(5) Notwithstanding anything contained in this Act, where a particular use of a registered trade mark is not an infringement of a trade mark registered before the commencement of this Act, then, the continued use of that mark shall not be an infringement under this Act.

(6) Notwithstanding anything contained in sub-section (2), the date of expiration of registration of a trade mark registered before the commencement of this Act shall be the date immediately after the period of seven years for which it was registered or renewed:



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Provided that the registration of a defensive trade mark referred to in section 47 of the Trade and Merchandise Marks Act, 1958 (43 of 1958) shall cease to have effect on the date immediately after the expiry of five years of such commencement or after the expiry of the period for which it was registered or renewed, whichever is earlier.”

53. Opposition to registration came to be regulated by Section 21 of the 1999 Act and which read as follows:

“21. Opposition to registration.

(1) Any person may, within four months from the date of the advertisement or re-advertisement of an application for registration, give notice in writing in the prescribed manner and on payment of such fee as may be prescribed, to the Registrar, of opposition to the registration.

(2) The Registrar shall serve a copy of the notice on the applicant for registration and, within two months from the receipt by the applicant of such copy of the notice of opposition, the applicant shall send to the Registrar in the prescribed manner a counterstatement of the grounds on which he relies for his application, and if he does not do so he shall be deemed to have abandoned his application.

(3) If the applicant sends such counter-statement, the Registrar shall serve a copy thereof on the person giving notice of opposition.

(4) Any evidence upon which the opponent and the applicant may rely shall be submitted in the prescribed manner and within the prescribed time to the Registrar, and the Registrar shall give an opportunity to them to be heard, if they so desire.

(5) The Registrar shall, after hearing the parties, if so required, and considering the evidence, decide whether and subject to what conditions or limitations, if any, the registration is to be permitted, and may take into account a ground of objection whether relied upon by the opponent or not.

(6) Where a person giving notice of opposition or an applicant sending a counter-statement after receipt of a copy of such notice neither resides nor carries on business in India, the Registrar may require him to give security for the costs of proceedings before him, and in default of such security being duly given, may treat the opposition or application, as the case may be, as abandoned.

(7) The Registrar may, on request, permit correction of any error in, or any amendment of, a notice of opposition or a counter-statement on such terms as he thinks just.”



54. Section 131 enables the Registrar, if satisfied that sufficient cause exists, to extend the time prescribed for doing any act and stands framed as below:

“131 Extension of time.

(1) If the Registrar is satisfied, on application made to him in the prescribed manner and accompanied by the prescribed fee, that there is sufficient cause for extending the time for doing any act (not being a time expressly provided in this Act), whether the time so specified has expired or not, he may, subject to such conditions as he may think fit to impose, extend the time and inform the parties accordingly.

(2) Nothing in sub-section (1) shall be deemed to require the Registrar to hear the parties before disposing of an application for extension of time, and no appeal shall lie from any order of the Registrar under this section.”

55. Section 157, which is the Rule making provision, without prejudice to the generality of the powers so conferred, empowers the Union Government to frame Rules governing various matters including the manner of making of an application, giving notices, sending counter statements and submission of evidence as per Section 21. This is evident from Section 157(2)(vii) of the 1999 Act, which reads thus:

“157. Power to make rules.

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(2) In particular, and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:—

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(vii) the manner of giving a notice of opposition and the fee payable for such notice under sub-section (1) and sending counter-statement under sub-section (2) and submission of evidence and the time therefor under sub-section (4) of section 21;”



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56. Rules 50 and 51 as they existed in the 2002 Rules and which dealt with evidence in support of opposition and evidence in support of application read as under:

“50. Evidence in support of opposition.—

(1) Within two months from services on him of a copy of the counterstatement or within such further period not exceeding one month in the aggregate thereafter as the Registrar may on request allow, the opponent shall either leave with the Registrar, such evidence by way of affidavit as he may desire to adduce in support of his opposition or shall intimate to the Registrar and to the applicant in writing that he does not desire to adduce evidence in support of his opposition but intends to rely on the facts stated in the notice of opposition. He shall deliver to the applicant copies of any evidence that he leaves with the Registrar under this sub-rule and intimate the Registrar in writing of such delivery.

(2) If an opponent takes no action under sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition.

(3) An application for the extension of the period of one month mentioned in sub-rule (1) shall be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein.

51. Evidence in support of application.—

(1) Within two months or within such further period not exceeding one month in the aggregate thereafter as the Registrar may on request allow, on the receipt by the applicant of the copies of affidavits in support of opposition or of the intimation that the opponent does not desire to adduce any evidence in support of his opposition, the applicant shall leave with the Registrar such evidence by way of affidavit as he desires to adduce in support of his application and shall deliver to the opponent copies thereof or shall intimate to the Registrar and the opponent that he does not desire to adduce any evidence but intends to rely on the facts stated in the counterstatement and or on the evidence already left by him in connection with the application in question. In case the applicant relies on any evidence already left by him in connection with the application, he shall deliver to the opponent copies thereof.



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(2) An application for the extension of the period of one month mentioned in sub-rule (1) shall be made in Form TM-56 accompanied by the prescribed fee before the expiry of the period of two months mentioned therein.

57. The consideration of an application for extension of time was regulated by Rule 105 of the 2002 Rules and it reads as under:

“105. Extension of time —

(1) An application for extension of time under section 131 (not being a time expressly provided in the Act or prescribed by rule 79 or by sub-rule (4) of rule 80 or a time for the extension of which provision is made in the rules) shall be made on Form TM-56.

(2) Upon an application made under sub-rule (1) the Registrar, if satisfied that the circumstances are such as to justify the extension of the time applied for, may, subject to the provisions of the rules where a maximum time limit is prescribed and subject to such conditions as he may think fit to impose, extend the time and notify the parties accordingly and the extension may be granted though the time for doing the act or taking the proceeding for which it is applied for has already expired.”

58. The 2017 Rules repealed the 2002 Rules as would be evident from Rule 158 which is reproduced hereinbelow:

“158. Repeal. —The Trade Marks Rules, 2002, are hereby repealed without prejudice to anything done under such rules before the coming into force of these rules.”

59. Rules 45 and 46 of the 2017 Rules and which prescribe the procedure for adducing evidence in support of opposition and evidence in support of application read as follows:

“45. Evidence in support of opposition.—

(1) Within two months from service of a copy of the counterstatement, the opponent shall either leave with the Registrar, such evidence by way of affidavit as he may desire to adduce in support of his opposition or shall intimate to the Registrar and to the applicant in writing that he does not desire to adduce evidence in support of his opposition but intends to rely



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on the facts stated in the notice of opposition. He shall deliver to the applicant copies of any evidence including exhibits, if any, that he leaves with the Registrar under this sub-rule and intimate the Registrar in writing of such delivery.

(2) If an opponent takes no action under sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his opposition.

46. Evidence in support of application. —

(1) Within two months on the receipt by the applicant of the copies of affidavits in support of opposition or of the intimation that the opponent does not desire to adduce any evidence in support of his opposition, the applicant shall leave with the Registrar such evidence by way of affidavit as he desires to adduce in support of his application and shall deliver to the opponent copies thereof or shall intimate to the Registrar and the opponent that he does not desire to adduce any evidence but intends to rely on the facts stated in the counterstatement and or on the evidence already left by him in connection with the application in question. In case the applicant adduces any evidence or relies on any evidence already left by him in connection with the application, he shall deliver to the opponent copies of the same, including exhibits, if any, and shall intimate the Registrar in writing of such delivery.

(2) If an applicant takes no action under sub-rule (1) within the time mentioned therein, he shall be deemed to have abandoned his application.”

60. As in the earlier regimes, the 2017 Rules in terms of Rule 109 made the following provisions for the submission of an application for extension of time:

“109. Extension of time— (1) An application for extension of time under section 131 (not being a time expressly provided in the Act or prescribed by rule 85 or by sub-rule (3) of rule 86 or a time for the extension of which provision is made in the rules) shall be made in Form TM-M.

(2) Upon an application made under sub-rule (1) the Registrar, if satisfied that the circumstances are such as to justify the extension of the time applied for, may, subject to the provisions of the rules where a maximum time limit is prescribed and subject to such conditions as he may think fit to impose, extend the time not



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exceeding one month and communicate the parties accordingly and the extension may be granted though the time for doing the act or taking the proceeding for which it is applied for has already expired.”

61. A reading of Section 21(1) of the 1958 Act would indicate that opposition to registration could be made within three months from the date of advertisement of an application or within such further period, not exceeding one month in the aggregate, as may be allowed by the Registrar on an application made to it in the prescribed manner. Section 21(4) of the 1958 Act provided that any evidence which shall be relied upon by the applicant or the opponent shall be filed before the Registrar in the prescribed manner and within the prescribed time as stipulated in the 1959 Rules.

62. Section 101 while conferring a discretion upon the Registrar for extending the time prescribed for completion of any act excluded from its ambit those contingencies where the Act constructed a specific time frame for completion of the said act. However, it clearly appears to be a provision of wide amplitude since although it made the aforementioned exception, it also used the expression “*whether the time so specified has expired or not*”.

63. Rule 53 of the 1959 Rules, while speaking of deemed abandonment clearly conferred an authority upon the Registrar to frame a direction which would stave off such abandonment coming into effect by using the phrase “*unless the Registrar otherwise directs*”. The deemed abandonment which was spoken of in Rule 53(2) was thus neither a necessary corollary or a foregone inevitability or eventuality. Abandonment would have thus come into effect ordinarily subject to the Registrar ordering or directing otherwise. Rule 53(2) thus clearly



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enabled an opponent to avoid deemed abandonment coming into effect by approaching the Registrar. It was in the aforesaid context that the Full Bench in *Hastimal Jain* had observed as follows:

“19. We have considered the rival submissions and read the various Judgments. The determination of the questions raised would depend on whether Rule 53 (2) can be said to be mandatory or merely directory. Mere use of the word "shall" is not sufficient to treat the Rule as mandatory. Even though the word "shall" prima facie indicates that it is mandatory, still the Court must ascertain the real intention of the Legislature by looking to the Statute as a whole. It must also be remembered that a legal fiction cannot be stretched beyond the purpose for 'which it was enacted. As seen above the legal fiction is not absolute. It is limited by the words "unless" the Registrar otherwise directs". In our view it is significant that wherever the Legislature intended to prescribe a fixed time, which-could not be extended, it has specifically so done. The necessary 'implication, of this is that in all other cases the time was not to be fixed but one which would be within the power of the Registrar to ex- tend. Undoubtedly the intention of the Legislature was to minimise delays. For that fixed time is laid down in the Statute itself. However a reading of Section 21 itself shows that for procedural matters like filing evidence the Legislature was not laying down a fixed time in the Statute. This view is supported by a reading of Section 101 and Rule 106. Section 101 indicates that the only circumstance under which time cannot be extended by the Registrar is where a time has been expressly provided in the Act. Similarly, under Rules 106 the time can be extended by the Registrar, in all cases except for the four, which have been mentioned in paragraph 14 above. It is all the more significant that Rule 53 (2) and Rule 54 have not been included in Rule 106. To interpret it otherwise would be to add in Rule 106 the words "or Rule 53". The Legislature has purposely omitted to do so. It is not possible to accept submission that Rule 53 gets incorporated in Section 21. If the Legislature wanted to provide a fixed term of two months in Section 21 (4) as they have done in Section 21 (1) and (2), they would have done so. This interpretation is also borne out by the fact that the deeming provision, in Rule 53 (2), comes into play only if the Registrar does not otherwise 'directs. The fact that the legal fiction is subject to the direction of the Registrar also shows that it is not absolute but is being controlled by discretion of Registrar. In our view Section 101 and Rule 106 permit the Registrar to extend time, even though the time has expired. To hold otherwise would be to negate the words to that effect used both in Section 101 as well as Rule 106. We are



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thus in agreement with the view expressed by the Bombay High Court and the Gujarat High Court. We disagree with the view expressed in the case reported in 1978 (3) PLR 148 and in the Order dated 30th January 1995 in C.M. (M) 59/95.

20. In this view of the matter was answer the questions accordingly:-

(a) Rule 53 (2) of the Trade and Merchandise Marks Rules, 1959 is merely directory and not mandatory.

(b) & (c) The Registrar has power to extend time for filing evidence even though the period mentioned in Rule 53 or the extended period thereof has expired and even though an application for extension of time is made beyond that period."

21. Of course it must immediately be clarified that the Registrar has to exercise his powers judicially and for valid reasons.

64. Insofar as evidence in support of application was concerned, Rule 54 of the 1959 Rules merely prescribed that the same may be submitted within two months of receipt of the affidavit in support of opposition or of the intimation by the opponent that it chooses not to adduce any evidence in support thereof. It becomes pertinent to note that Rule 54 did not specify any adverse consequences on a failure of the applicant to move the Registrar within the two-month window as prescribed.

65. Significantly, Rule 106 of the 1959 Rules while undoubtedly conferring a discretion upon the Registrar to extend the time prescribed for doing any act forbade that power being invoked in circumstances where a maximum time limit stood prescribed under the Rules. However, and as we have noticed hereinabove, both Rules 53 and 54 of the 1959 Rules were couched in language which would indicate that those provisions were directory rather than mandatory.

66. When the 1999 Act came into force, Section 21 while dealing with opposition to registration prescribed that opposition may be raised



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within four months from the date of advertisement of the application. Section 21(4) of the 1999 Act also provisioned for the submission of evidence in support of opposition as well as any evidence that the applicant may deem fit to submit before the Registrar in the prescribed manner and within the prescribed time. Section 131 of the 1999 Act, while conferring jurisdiction upon the Registrar to extend time for completion of any act or effecting compliance with the statutory provisions enabled that authority to grant an extension irrespective of whether the time otherwise stipulated had expired or not. The provision, however, proscribed the Registrar from extending time in respect of acts for which a time limit stood expressly provided for under the Act.

67. The power to frame rules regulating the various steps which the opponent as well as the applicant could take in terms of Section 21 was specifically conferred upon the Union Government in terms of Section 157(2)(vii) of the 1999 Act. The Rules governing evidence in support of opposition and evidence in support of application however were framed in language which is significantly distinct from the parallel provisions as they existed under the 1959 Rules. Both Rules 50 and 51 of the 2002 Rules employed the phrase “*or within such further period not exceeding one month in the aggregate thereafter*”. Both evidence in support of application and evidence in support of opposition was thus ordinarily to be filed within two months of receipt of affidavits in support of opposition or two months from when a copy of the counter statement was received. Of immense significance is the expression “*not exceeding one month in the aggregate thereafter*” which appears in both the aforementioned Rules and which clearly lends credence to the one-



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month further period being inviolate and constituting a special period of limitation. Thus, both Rules 50 and 51 of the 2002 Rules, mandated that evidence is liable to be submitted within a maximum period of three months. The words “*not exceeding*” as occurring in those Rules clearly manifests an unequivocal intent to create an extremity beyond which no further time could have been granted. More importantly, the creation of that period of limitation would also fall within the ambit of the phrase “*maximum time limit*” which was spoken of in Rule 105 (2) of the 2002 Rules.

68. Both Rules 50 and 51 thus in unquestionable terms erected a period of limitation and a peremptory prescription with respect to the time within which evidence in support of application or opposition could have been submitted. Those prescriptions were also unalterable and sacrosanct bearing in mind the indubitable fact of Rule 105 of the 2002 Rules not being available to be invoked in cases where either the Act or the Rules created a specific time frame or where a maximum time period stood prescribed. It would be pertinent to recall that Rule 105 (1) used the expression “*(not being a time expressly provided in the Act..... or a time for the extension of which provision is made in the rules)*”. The power to extend time as vested in the Registrar was thus not available to be exercised in cases where a specific time frame had either been provisioned for in the Act or where the issue of extension was regulated by a provision contained in the Rules itself. Rule 105(2) further hedged the extent of the authority that could be exercised by the Registrar by employing the phrase “*subject to the provisions of the Rules where a maximum time limit is prescribed*”. Thus, the power to extend time as generally vested and conferred in



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terms of Section 131 and Rule 105 became inapplicable in situations where a special period for compliance was created under the Act and the Rules.

69. In our considered opinion, while undoubtedly the consequences of non-filing namely deemed abandonment as spelt out in Rule 50(2) of the 2002 Rules did not stand reiterated in Rule 51, the position would be no different bearing in mind the circumscription of the Section 131 and Rule 105 power as noticed above. Even though Rule 51 of the 2002 Rules did not replicate the deemed abandonment principle, it nonetheless restricted the additional time period for submission of evidence to “*not exceeding*” one month. Of equal significance was Rule 51(2) which while speaking of an application for extension of time which could be made restricted it to the period of one month prescribed in sub-rule (1). This additionally convinces us to hold that the one-month period was absolute and brook of no further extensions.

70. We are also of the firm opinion that Section 131 of the 1999 Act when it used the expression “*whether the time so specified has expired or not*”, cannot possibly be construed as diluting the rigours of time prescriptions as appearing and introduced by Rules 50 and 51 of the 2002 Rules. The aforesaid expression cannot possibly be read as enlarging the scope of the power which the Registrar could have otherwise exercised by virtue of Rule 105. All that the aforementioned phrase appears to permit and sanction was the moving of an application for extending time for compliance irrespective of whether the period for that action had expired or not. If we were to hold otherwise, it would clearly amount to ignoring the phrase “*not being a time expressly*



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provided in this Act” as set out in Section 131 of the 1999 Act and rendering the same otiose.

71. Under the 2017 Rules, evidence in support of opposition is liable to be tendered within two months from the service of a copy of the counter statement. As was the position prevailing under the earlier statutory regimes, this Rule too gave an option to the opponent to either submit evidence in support of opposition or to apprise the Registrar that no further evidence was sought to be adduced. Rule 45 also deleted the additional time of one month which could have been sought under the erstwhile 2002 Rules and as per the provisions contained in Rule 50. The Rule thus puts in place a maximum period of two months and proceeds further to prescribe the consequences of a failure to abide by the time frames contained in Rule 45(1). The Rule thus is clearly intended to introduce a maximum limit of two months within which evidence in support of opposition may be tendered failing which the opponent would be deemed to have abandoned it altogether. Rule 46 of the 2017 Rules is similarly structured since there too, a maximum window of two months stands stipulated within which evidence in support of the application may be submitted with the Registrar. An option similar to the one accorded to the opponent in Rule 45, namely, of apprising the Registrar that no further evidence is sought to be led is conferred on the applicant. The concept of deemed abandonment stands replicated in this Rule also.

72. Proceeding then to the subject of extension of time under the 2017 Rules, the same is regulated by Section 131 read along with Rule 109 of the 2017 Rules. The power to extend time as conferred on the



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Registrar is subject to the same not being invited to be applied where a time period is expressly provided for in the 1999 Act. Rule 109 incorporates prescriptions which would regulate the power to extend time as embodied in Section 131. The aforementioned Rule fences the power of extension that may be wielded by the Registrar to be available to be invoked only in cases where a time period has either not been expressly provided for in the Act or where a provision for extension of time is not specially engrafted in the Rules. This fetter on the width of the discretionary power conferred on the Registrar is further amplified when one views sub-rule (2) and which speaks of the discretion of the Registrar to extend time being subject to the Rules where a maximum time limit otherwise stands prescribed.

73. Since sub-rule (2) of Rules 45 and 46 of the 2017 Rules embody the deemed abandonment principle, it leads us to the inevitable conclusion that the two-month period as prescribed therein is clearly the maximum time limit which the Rules contemplate. Another facet of significance is the absence of the phrase “*unless the Registrar otherwise directs*”, which though existing in Rule 53 of the 1959 Rules, is conspicuously absent in sub-rules (2) of Rules 45 and 46. The abandonment of an application upon the expiry of the maximum period prescribed under the 2017 Rules is thus neither avoidable nor does the Registrar stand placed with the statutory discretion to either avoid such an eventuality coming into effect or reverse a liability which may be incurred.

74. The above discussion leads us to the irresistible conclusion that the understanding of the learned Judge in *SAP SE* that the 2017 Rules



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re-introduced the statutory position as it prevailed under the 1958 Act read alongside the 1959 Rules is wholly erroneous and cannot possibly be sustained. As was observed by us hereinbefore, the judgment rendered by the Full Bench in *Hastimal Jain* principally rested upon the discretion which stood conferred upon the Registrar to avoid a situation of deemed abandonment coming into effect. The 2017 Rules thus cannot possibly be accepted or recognized as being *pari materia* with the statutory scheme which existed under the 1958 Act and the 1959 Rules.

H. THE IMPACT OF THE PHRASE “NOT EXCEEDING”

75. The first question which thus stands posited is whether Rules 50 and 51 of the 2002 Rules constructed a terminal date beyond which the Registrar could not be recognized to have the authority to extend the time within which compliance could have been affected. This question would have to be answered primarily on the anvil of the 2002 Rules as opposed to the same being examined on the touchstone of the 2017 Rules. Both Rules 50 and 51 of the 2002 Rules, while prescribing the further period within which evidence in support of application or evidence in support of opposition could have been tendered expressly employed the “*not exceeding*” language. The period of one month being inviolable and sacrosanct is a position which clearly emerges from those Rules defining the further period to be one which could not under any circumstance be extendable. The maximum period of one month thus bound the Registrar while considering an application for extension of time. The Registrar upon the expiry of the two-month period clearly did not stand conferred with the authority to grant time



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beyond the one month as prescribed. Once the three-month period came to an end, the curtains would inevitably come down on the right of the applicant or the opponent to lead evidence in support of application or evidence in support of opposition respectively. This issue has, in our considered opinion, been rightly recognized by the learned Judge in *Mahesh Gupta* as would be evident from the following observations:

“14. To my mind, the view espoused in para 60 of the decision in *Wyeth*, if accepted, would amount to no less than re-writing of the applicable statutory provisions. Rule 50(1) of the 2002 Rules is even more peremptory, in its application, than Rule 48 of the succeeding 2017 Rules. While providing a period of two months to an opponent opposing an application seeking registration of a trade mark file its evidence after receipt of the counter-statement of the applicant, Rule 50(1) empowers the Registrar to extend the said period only upto one month, specifically using the words —not exceeding one month—. The words —not exceeding one month— are mandatory in their import. The learned Registrar could not, therefore, grant extension of more than one month beyond the period of two months from the date of service, on the opponent opposing the registration of a mark, of a copy of the counter statement. Grant of any further extension would clearly be in the teeth of Rule 50(1).”

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16. Deemed abandonment of the opposition, therefore, follows as an inexorable statutory sequitur to the failure, on the part of the opponent, in filing the evidence in support of the opposition within the period envisaged in Rule 50(1). Deemed abandonment, therefore, occurs by operation of the statute. Even sans any judicial or quasijudicial order, therefore, if the opponent opposing the application seeking grant of the trade mark fails to file its evidence in support of the opposition within a maximum of three months from the receipt, by it, of the counter-statement of the trade mark applicant, the opposition would ipso facto be deemed to be abandoned irrespective of whether any order to that effect is, or is not, passed by any judicial or quasijudicial forum.”

76. In our considered opinion, the expression “*not exceeding*” as it appeared in Rules 50 and 51 of the 2002 Rules cannot be interpreted or countenanced as being different from “*not thereafter*” as that phrase



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occurs in various statutes constructing a special period of limitation. Where the statute bids and commands us not to exceed a particular period of time, it would inevitably lead one to conclude that the same constitutes a terminal point beyond which the discretion to extend time was intended not to be available. The words “*not exceeding*” thus not only represents the legislative intent of the statute not contemplating any further time being available but also divesting any general discretion that may have stood conferred upon an authority to extend time. This conclusion finds further fortification from the discretion generally conferred by that statute excluding from its ambit those situations where a “*maximum time limit is prescribed*”. This would lead us to the inevitable conclusion that Rules 50 and 51 erected special periods of limitation which could not have been diluted or overcome in exercise of an overarching or general power of condonation which stood conferred.

77. We find that Section 34 of the Arbitration and Conciliation Act, 1996 had raised similar questions arising out of that provision employing the phrase “*not thereafter*”. Dealing with this aspect, the Supreme Court in **Union of India vs. Popular Construction Co.**²⁴ had observed thus: -

“7. There is no dispute that the 1996 Act is a “special law” and that Section 34 provides for a period of limitation different from that prescribed under the Limitation Act. The question then is — is such exclusion expressed in Section 34 of the 1996 Act? The relevant extract of Section 34 reads:

“34. Application for setting aside arbitral award.—(1)-(2)***

²⁴ (2001) 8 SCC 470



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(3) An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the arbitral award or, if a request had been made under Section 33, from the date on which that request had been disposed of by the Arbitral Tribunal:

Provided that if the court is satisfied that the applicant was prevented by sufficient cause from making the application within the said period of three months it may entertain the application within a further period of thirty days, but not thereafter.”

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12. As far as the language of Section 34 of the 1996 Act is concerned, the crucial words are “but not thereafter” used in the proviso to sub-section (3). In our opinion, this phrase would amount to an express exclusion within the meaning of Section 29(2) of the Limitation Act, and would therefore bar the application of Section 5 of that Act. Parliament did not need to go further. To hold that the court could entertain an application to set aside the award beyond the extended period under the proviso, would render the phrase “but not thereafter” wholly otiose. No principle of interpretation would justify such a result.

13. Apart from the language, “express exclusion” may follow from the scheme and object of the special or local law:

“[E]ven in a case where the special law does not exclude the provisions of Sections 4 to 24 of the Limitation Act by an express reference, it would nonetheless be open to the court to examine whether and to what extent the nature of those provisions or the nature of the subject-matter and scheme of the special law exclude their operation.” [(1974) 2 SCC 133] (SCC p. 146, para 17).”

78. The aforesaid position was reiterated in **Simplex Infrastructure Limited v. Union of India**²⁵ by the Supreme Court in the following terms: -

²⁵ (2019) 2 SCC 455



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“9. Section 34 provides that recourse to a court against an arbitral award may be made only by an application for setting aside such award “in accordance with” sub-section (2) and sub-section (3). Sub-section (2) relates to the grounds for setting aside an award. An application filed beyond the period mentioned in sub-section (3) of Section 34, would not be an application “in accordance with” that sub-section. By virtue of Section 34(3), recourse to the court against an arbitral award cannot be beyond the period prescribed. Sub-section (3) of Section 34, read with the proviso, makes it abundantly clear that the application for setting aside the award on one of the grounds mentioned in sub-section (2) will have to be made within a period of three months from the date on which the party making that application receives the arbitral award. The proviso allows this period to be further extended by another period of thirty days on sufficient cause being shown by the party for filing an application. The intent of the legislature is evinced by the use of the words “but not thereafter” in the proviso. These words make it abundantly clear that as far as the limitation for filing an application for setting aside an arbitral award is concerned, the statutory period prescribed is three months which is extendable by another period of up to thirty days (and no more) subject to the satisfaction of the court that sufficient reasons were provided for the delay.

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18. A plain reading of sub-section (3) along with the proviso to Section 34 of the 1996 Act, shows that the application for setting aside the award on the grounds mentioned in sub-section (2) of Section 34 could be made within three months and the period can only be extended for a further period of thirty days on showing sufficient cause and not thereafter. The use of the words “but not thereafter” in the proviso makes it clear that the extension cannot be beyond thirty days. Even if the benefit of Section 14 of the Limitation Act is given to the respondent, there will still be a delay of 131 days in filing the application. That is beyond the strict timelines prescribed in sub-section (3) read along with the proviso to Section 34 of the 1996 Act. The delay of 131 days cannot be condoned. To do so, as the High Court did, is to breach a clear statutory mandate.

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21. Under the circumstances, we are of the considered opinion that in view of the period of limitation prescribed in Section 34(3), the learned Single Judge of the High Court was not justified in condoning the respondent's delay of 514 days in filing the application. The judgment rendered by the learned Single Judge of the High Court of Calcutta on 27-4-2016, in *Union of*



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India v. Simplex Infrastructures Ltd. [Union of India v. Simplex Infrastructures Ltd., 2016 SCC OnLine Cal 12045] is set aside and the appeal is allowed. The petition under Section 34 stands dismissed on the ground that it is barred by limitation. There shall be no order as to costs.”

79. We note that Section 13(2) (a) of the Consumer Protection Act, 1986 also employs the phrase “*not exceeding*”. Dealing with the effect of such peremptory language, a Constitution Bench of the Supreme Court in **New India Assurance Company Ltd v. Hilli Multipurpose Cold Storage Private Limited**²⁶ held thus: -

“13. On the contrary, sub-section (2)(a) of Section 13 of the Consumer Protection Act provides for the opposite party to give his response “*within a period of 30 days or such extended period not exceeding 15 days as may be granted by the District Forum*”. The intention of the legislature seems to be very clear that the opposite party would get the time of 30 days, and in addition another 15 days at the discretion of the Forum to file its response. No further discretion of granting time beyond 45 days is intended under the Act.

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20. The legislature in its wisdom has provided for filing of complaint or appeals beyond the period specified under the relevant provisions of the Act and Regulations, if there is sufficient cause given by the party, which has to be to the satisfaction of the authority concerned. No such discretion has been provided for under Section 13(2)(a) of the Consumer Protection Act for filing a response to the complaint beyond the extended period of 45 days (30 days plus 15 days). Had the legislature not wanted to make such provision mandatory but only directory, the provision for further extension of the period for filing the response beyond 45 days would have been provided, as has been provided for in the cases of filing of complaint and appeals. To carve out an exception in a specific provision of the statute is not within the jurisdiction of the courts, and if it is so done, it would amount to legislating or inserting a provision into the statute, which is not permissible.

²⁶ (2020) 5 SCC 757



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22. This Court in *Lachmi Narain v. Union of India* [*Lachmi Narain v. Union of India*, (1976) 2 SCC 953 : 1976 SCC (Tax) 213] has held that : (SCC p. 969, para 68)

“68. ... If the provision is couched in prohibitive or negative language, it can rarely be directory, the use of peremptory language in a negative form is per se indicative of the intent that the provision is to be mandatory.”

Further, hardship cannot be a ground for changing the mandatory nature of the statute, as has been held by this Court in *Bhikraj Jaipuria v. Union of India* [*Bhikraj Jaipuria v. Union of India*, AIR 1962 SC 113 : (1962) 2 SCR 880] and *Fairgrowth Investments Ltd. v. Custodian* [*Fairgrowth Investments Ltd. v. Custodian*, (2004) 11 SCC 472] . Hardship cannot thus be a ground to interpret the provision so as to enlarge the time, where the statute provides for a specific time, which, in our opinion, has to be complied in letter and spirit.

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33. Once consequences are provided for not filing the response to the complaint within the time specified, and it is further provided that proceedings complying with the procedure laid down under sub-sections (1) and (2) of Section 13 of the Consumer Protection Act shall not be called in question in any court on the ground that the principles of natural justice have not been complied with, the intention of the legislature is absolutely clear that the provision of sub-section (2)(a) of Section 13 of the Act in specifying the time-limit for filing the response to the complaint is mandatory, and not directory.”

80. Closer to home, we also deem it appropriate to note the following pertinent observations as were entered by our Court in **Charu Agarwal Vs. Alok Kalia**²⁷ while dealing with the time frames prescribed under our Rules for filing of written statements and replications and which too employ the phrase “not exceeding”:-

“35. It must with due respect be observed that neither Order VIII as originally standing in the Code nor its provisions as adopted by the 2015 Act employ the phrase “but not thereafter”. The said expression stands enshrined in both Rules 4 and 5 of 2018 Rules.

²⁷ 2023 SCC Online Del 1238



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It was the adoption of the aforesaid phrase which was understood by the Division Bench in *Ram Sarup Lugani* to be of critical and vital significance. The Court is further constrained to observe that once the Division Bench had on an extensive review of Rule 5 come to conclude that the usage of the expression was indicative of a terminal point having been constructed, it would have been impermissible to take a contrary view. *Ram Sarup Lugani* had tested the provisions of Rule 5 based on a textual interpretation, the adoption of a special period of limitation, the recognition of the Order VIII principles not being applicable and even the inherent power not being liable to be invoked in light of the emphatic language of the provision itself. *Ram Sarup Lugani* had also noticed the earlier Division Bench judgments in *DDA v. K.R. Builders Pvt Ltd.*, *HTIL Corporation B.V v. Ajay Kohli* as well as in *Print Pak Machinery Ltd. v. Jay Kay Papers Converters* all of which had consistently upheld and recognised the primacy of the Rules over the provisions of the Code. The Court in *Ram Sarup Lugani* had also duly noticed the judgment of the Supreme Court in *Desh Raj*. The former decision thus constituted a binding precedent on the scope of the Rules, the mandatory nature of the timelines prescribed thereunder and that neither Order VIII nor the inherent powers of the Court being liable to be invoked to extend the period of limitation as stipulated in Rule 5.

36. While the aforesaid discussion would have been sufficient to lay the controversy at rest, since *Amarendra Dhari Singh* also proceeds on a perceived distinction between Rules 4 and 5, the Court deems it apposite to observe as follows. As was noticed in the preceding parts of this decision, both Rules employ the phrase “*but not thereafter*”. Both the phrases “*not exceeding*” and “*but not thereafter*” must clearly be accorded due weight and consideration. This was an aspect which was duly noticed in *Ram Sarup Lugani*.

37. Regard must also be had to the fact that while the penultimate part of Rule 4 is not replicated in Rule 5, that too would be of little significance when one holistically reads Rule 4. It becomes pertinent to note that the obligation to file a written statement in 30 days is originally placed by Rule 2 falling in Chapter VII. Rule 4 deals with the extension of time for filing a written statement. As is manifest from a plain reading of that provision, it confers a power on the Court to condone the delay that may have been caused and a written statement having not being filed within 30 days if it be satisfied that the Defendant was prevented by sufficient cause and for exceptional and unavoidable reasons to file the same within the prescribed period. Rule 4 then and upon such satisfaction being arrived at empowers the Court to



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extend the time for filing a written statement by a further period not exceeding 90 days but not thereafter.

38. The penultimate part of Rule 4 talks of the power of the Registrar to close the right of a Defendant to file a written statement if it be found that the same has not been tendered within the extended time. The use of the phrase “extended time” cannot possibly run beyond the maximum period of 120 days. In any case, the said provision as made in Rule 4 cannot possibly be countenanced or interpreted to recognise the Registrar being empowered to additionally extend time beyond the period of 120 days. The reliance which has been placed on various decisions noticed above and delivered in the context of Order VIII as found in the Code would have to be duly understood bearing in mind what had been held by the earlier Division Benches of our Court in *K.R. Builders Pvt Ltd*, *HTIL Corporation* as well as in *Print Pak*. The said judgments had consistently held that the Rules as adopted by the Court would clearly prevail over and above those which may find place in the Code. All the four decisions noticed above, had been rendered prior in point of time to *Esha Gupta* and had neither been noticed nor considered in the said judgment. *Ram Sarup Lugani* while relying on the aforementioned decisions, had drawn sustenance from those decisions in support of its ultimate conclusion that Order VIII and the principles underlying the same would not apply to Rule 5.

39. The Court also deems it necessary to observe that the Rules directly fell for consideration of the Division Bench in *Ram Sarup Lugani* as well as the learned Judges who authored *Gautam Gambhir* and *Harjyot Singh*. The facial distinction between Rules 4 and 5 which appears to have weighed with the Court in *Amarendra Dhari Singh* would, in any case, not justify taking a contrary view. The Court notes that both *Gautam Gambhir* and *Harjyot Singh* were decisions rendered directly in the context of Rules 4 and 5 as enshrined in Chapter VII. This Court thus finds itself unable to accord an interpretation upon Rule 4 or 5 which would run contrary to what had been held in the earlier decisions and which necessarily bind this Court.

40. In conclusion, this Court is of the considered opinion that *Gautam Gambhir*, *Ram Sarup Lugani* and *Harjyot Singh* are binding precedents on the scope of Rules 4 and 5 as falling in Chapter VII of the Rules. The mere fact that the argument of a perceived discretion vesting in the Registrar in Rule 4 was not specifically raised or addressed would not justify the judgment of the Division Bench being either ignored or doubted. The Court has already noticed the issues that arise out of the



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judgment of the Division Bench in *Esha Gupta*. The earlier decisions of the Division Benches of the Court in *K.R. Builders*, *HTIL Corporation*, and *Print Pak* do not appear to have been cited for the consideration of the Bench. *Ram Sarup Lugani* was a judgment which came to be rendered upon an exhaustive analysis of the earlier precedents rendered in the context of the Rules and the Code, the peremptory language in which Rule 5 stood couched, of how the creation of a special rule relating to limitation would exclude the permissibility of condonation or extensions being granted. While the order of the Division Bench in *Tushar Bansal* was based on a concession that was made, the judgment in *Jamaluddin* came to be pronounced with neither side having drawn the attention of the Court to the decision in *Ram Sarup Lugani*. The said decision proceeded on the principles which underlie Order VIII of the Code and the judgments of the Supreme Court in *Kailash* and *Bharat Kalra* rendered in the context of that provision. The Court notes that the adoption of Order VIII principles already stood negated by the earlier Division Benches in *K.R. Builders*, *HTIL Corporation*, *Ajay Kohli* and *Print Pak*. Those decisions too do not appear to have been cited for the consideration of the Court in *Jamaluddin*.”

81. The aforementioned precedents speak in unison when they bid us to acknowledge the inflexibility which the phrase “*not exceeding*” seeks to convey and represent. That phrase is liable to be construed as constructing a terminal point beyond which time cannot possibly be extended. Our view that those provisions are intended to create an unwavering period of limitation stands further fortified from a reading of the rule conferring a general discretion in the authority to extend time and which in unequivocal terms declared that they would not be applicable to cases where time has been expressly provided for.

82. All that we additionally deem apposite to reiterate is that the mere absence or incorporation of the deemed abandonment principles in Rule 51 of the 2002 Rules, and which was concerned with evidence in support of application would not be a justifiable ground to interpret or construe the time frames prescribed therein in a manner contrary to



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what would flow from Rule 50 of the 2002 Rules. Rule 51 in unequivocal terms restricted the power to extend time only by a period of one month for reasons indicated above. Bearing in mind the strict language in which that provision stood framed, we would be of the opinion that the closure of the right to lead evidence in support of the application would kick into effect immediately upon the expiry of three months notwithstanding Rule 51 of the 2002 Rules having not replicated or reiterated the deemed abandonment principle.

I. THE QUESTION RELATING TO APPLICABLE RULES

83. The learned Judge while rendering opinion in *SAP SE* appears to have proceeded on the basis that since the order impugned had come to be passed after the 2017 Rules had come to occupy the field, it would be the provisions as forming part of those Rules which should have been taken into consideration. We find ourselves unable to sustain the reasoning assigned in support of the aforesaid conclusion bearing in mind the undisputed position that events which had come to be accorded a statutory closure prior to the enforcement of the 2017 Rules could not have been either effaced or overcome. Both Rules 50 and 51 of the 2002 Rules conferred finality on rights that may have been claimed, as well as liabilities that came to be fastened and accrued. Those eventualities would clearly fall within the ambit of the expression “*anything done*” as appearing in Rule 158 of the 2017 Rules.

84. In this regard, we deem it appropriate to notice the following judgments rendered by the Supreme Court and this Court while construing the phrase “*anything done*” or “*things done*” as appearing in



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repeal and saving provisions as intending to save not only things done prior to the repeal of an enactment, but also to save the legal consequences arising therefrom. The Supreme Court in **Universal Imports Agency & Anr v. Chief Controller of Imports and Exports & Ors**²⁸ explained the legal position as under: -

“16. What were the “things done” by the petitioners under the Pondicherry law? The petitioners in the course of their import trade, having obtained authorization for the foreign exchange through their bankers, entered into firm contracts with foreign dealers on C.I.F. terms. In some cases irrevocable Letters of Credit were opened and in others bank drafts were sent towards the contracts. Under the terms of the contracts the sellers had to ship the goods from various foreign ports and the buyers were to have physical delivery of the goods after they had crossed the customs barrier in India. Pursuant to the terms of the contracts, the sellers placed the goods on board the various ships, some before and others after the merger, and the goods arrived at Pondicherry port after its merger with India. The prices for the goods were paid in full to the foreign sellers and the goods were taken delivery of by the buyers after examining them on arrival. Before the merger if the Customs Authorities had imposed any restrictions not authorised by law, the affected parties could have enforced the free entry of the goods in a court of law. On the said facts a short question arises whether para 6 of the Order protects the petitioners. While learned counsel for the petitioners contends that “things done” take in not only things done but also their legal consequences, learned counsel for the State contends that, as the goods were not brought into India before the merger, it was not a thing done before the merger and, therefore, would be governed by the enactments specified in the Schedule. It is not necessary to consider in this case whether the concept of import not only takes in the factual bringing of goods into India, but also the entire process of import commencing from the date of the application for permission to import and ending with the crossing of the customs barrier in India. The words “things done” in para 6 must be reasonably interpreted and, if so interpreted, they can mean not only things done but also the legal consequences flowing therefrom. If the interpretation suggested by the learned counsel for the respondents be accepted, the saving clause would become unnecessary. If what it saves is only the executed contracts i.e. the contracts whereunder the goods have been imported and received

²⁸ (1961) 1 SCR 305



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by the buyer before the merger, no further protection is necessary as ordinarily no question of enforcement of the contracts under the pre-existing law would arise. The phraseology used is not an innovation but is copied from other statutory clauses. Section 6 of the General clauses Act (10 of 1897) says that unless a different intention appears, the repeal of an Act shall not affect anything duly done or suffered thereunder. So too, the Public Health Act of 1858 (38 & 39 Vict. c. 55) which repealed the Public Health Act of 1848 contained a proviso to Section 343 to the effect that the repeal “shall not affect anything duly done or suffered under the enactment hereby repealed”, This proviso came under judicial scrutiny in *Queen v. Justices of the West Riding of Yorkshire* [(1876) 1 QBD 220] . There notice was given by a local board of health of intention to make a rate under the Public Health Act, 1848, and amending Acts. Before the notice had expired these Acts were repealed by the Public Health Act, 1875, which contained a saving of “anything duly done” under the repealed enactments, and gave power to make a similar rate upon giving a similar notice. The board, in ignorance of the repeal, made a rate purporting to be made under the repealed Acts. It was contended that as the rate was made after the repealing Act, the notice given under the repealed Act was not valid. The learned Judges held that as the notice was given before the Act, the making of the rate was also saved by the words “anything duly done” under the repealed enactments. This case illustrates the point that it is not necessary that an impugned thing in itself should have been done before the Act was repealed, but it would be enough if it was integrally connected with and was a legal consequence of a thing done before the said repeal. Under similar circumstances *Lindley, L.J., in Heston and Isleworth Urban District Council v. Grout* [(1897) 2 Ch 306] confirmed the validity of the rate made pursuant to a notice issued prior to the repeal. Adverting to the saving clause, the learned Judge tersely states the principle thus at p. 313:“That to my mind preserves that notice and the effect of it”. On that principle the court of appeal held that the rate which was the effect of the notice was good.

17. It is suggested that the phraseology of the saving clause of the English Statutes and of the General clauses Act of 1897 are of wider import than that of para 6 of the Order and, therefore, the English decisions are not of any assistance in considering the scope of the saving clause of the Order. It is further stated that the English decisions apply only to a saving clause of an Act which repeals another but preserves the right created by the latter. We do not see any reason why the same construction cannot be placed upon the wording of para 6 of the Order which is practically similar in terms as those found in the relevant saving clause of the English Statute and that of the General clauses Act.



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18. Nor can we find any justification for the second criticism. In the instant case the legal position is exactly the same. By reason of the Indo-French Agreement the Government of India made the Order under the Foreign Jurisdiction Act applying the Indian laws to Pondicherry, The effect of that Order was that the French laws were repealed by the application of the Indian laws in the same field occupied by the French laws subject to a saving clause. The position is analogous to that of a statute repealing another with a saving clause. If the English decisions apply to the latter situation, we do not see how they do not apply to the former. In both the cases the pre-existing law continues to govern the things done before a particular date. We, therefore, hold that the words “things done” in para 6 of the Order are comprehensive enough to take in a transaction effected before the merger, though some of its legal effects and consequences projected into the post-merger period.”

85. Yet again and while speaking of consequences suffered, the Supreme Court in **Hasan Nurani Malak v. S.M Ismail, Assistant Charity Commissioner, Nagpur & Ors**²⁹ observed as under: -

“10. The words “anything duly done” in sub-clause (a) are very often used by the legislature in saving clauses such as we have in Section 86(3). Section 6 of the General Clauses Act, 1897 also provides that unless a different intention appears the repeal of an Act would not affect anything duly done or suffered thereunder. The object of such a saving clause is to save what has been previously done under the statute repealed. The result of such a saving clause is that the pre-existing law continues to govern the thing done before a particular date from which the repeal of such a pre-existing law takes effect. In Universal Imports Agency v. Chief Controller construing the words “things done” used in para 6 of the French Establishments (Application of Laws) Order, 1954, this Court held that on a proper interpretation the expression “things done” was comprehensive enough to take in not only the things done but also the effect of the legal consequences flowing therefrom. The inquiry held by the Registrar under the M.P. Act was indisputably “a thing duly done” under that Act. The inquiry and its result having been saved by Section 36(3)(a) they continue to be governed by the M.P. Act in spite of its ceasing to apply in Vidarbha..... The contention that that inquiry was completed is not correct because the Registrar had yet to make the entry of his finding which he was bound to make under Section 7 of that Act. That being the position, the

²⁹ (1967) 1 SCR 110



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inquiry is saved by sub-clause (a) of Section 86(3) and it is still pending and is governed by the M.P. Act. In the result a fresh inquiry under the Bombay Act while the proceeding under the M.P. Act is still pending was not competent and the Assistant Charity Commissioner was precluded from entertaining it. In this view it is not necessary to consider Mr Desai's contention that clauses (b) and (c) also apply to the present case. Mr Chatterjee however drew our attention to a decision of the High Court of Bombay in Ramalal v. Charity Commissioner. That decision cannot assist the respondents as the effect of a saving clause such as we have in Section 86(3) or in the Bombay General Clauses Act was not considered there and the question of the proceeding being a pending one was neither raised nor considered. For the reasons aforesaid it is not possible to sustain the order passed by the High Court dismissing the petition.”

86. Reiterating the principles enunciated in the aforementioned decisions, the Supreme Court in **Dharangadhra Chemical Works v. Dharangadhra Municipality & Anr.**³⁰ held: -

“16. Secondly the question could be considered under Section 7(b) of the Bombay General clauses Act, 1904. Section 7 deals with the effect of repeal and reads thus:

“7. Where this Act, or any Bombay Act or Gujarat Act, made after the commencement of this Act, repeals any enactment hitherto made or hereafter to be made, then, unless a different intention appears, the repeal shall not—

(a) * * *

(b) affect the previous operation of any enactment so repealed or anything duly done or suffered thereunder;”

(emphasis supplied)

The Divisional Commissioner's order according sanction is obviously saved thereunder but even Rules and Bye-laws could be covered by the expression “anything duly done” occurring in clause (b) above inasmuch as the expression “anything duly done” would be comprehensive enough to take in not only the things done but also the effects or legal consequences flowing therefrom. In *Universal Imports Agency v. Chief Controller of Imports and Exports* [AIR 1961 SC 41 : (1961) 1 SCR 305] while interpreting the expression “things done” occurring in para 6 of

³⁰ (1985) 4 SCC 92



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the French Establishments' (Application of Laws) Order, 1954, this Court has taken the view that such expression is comprehensive enough to take in not only things done but also the effects or the legal consequences flowing therefrom. In so interpreting the said expression the Court followed the English decision in *Queen v. Justices of the West Riding of Yorkshire* [(1876) 1 QBD 220] where the notice was given by a Local Board of Health of intention to make a rate under the Public Health Act, 1848, and the amending Acts but before the notice had expired these Acts were repealed by the Public Health Act, 1875 which contained a saving of "anything duly done" under the repealed enactments, but the Local Board, in ignorance of the repeal, made a rate purporting to be under the repealed Act, and it was held that as the notice was given before the repealing Act the making of the rate was also saved by the words "anything duly done" under the repealed enactments. This Court pointed out that the English decision was illustrative of the point that it is not necessary that an impugned thing in itself should have been done before the Act was repealed but it would be enough if it was integrally connected with and was a legal consequence of a thing done before the said repeal. Therefore, it is not possible to accept the contention that merely the order of sanction was saved and not the Municipal Octroi Rules and Bye-laws, 1965."

87. We lastly deem it appropriate to notice the following pertinent observations as they appear in the decision of the Supreme Court in **P.V Mohammad Barmay Sons v. Director of Enforcement**³¹:-

“7. Shri Tulsi, the learned Additional Solicitor General placing reliance on *O. Abdul Aziz v. Addl. Director of Enforcement* [AIR 1983 Mad 59 : (1982) 2 MLJ 359] and *A.K.L. Labbai Thambi Maraicar v. Govt. of India, Enforcement Directorate* [AIR 1983 Mad 102 : (1982) 2 MLJ 59] contended that in view of Section 81(2) of the Act read with Section 6 of the General Clauses Act, the power of the respondents to investigate and enforce the liability or penalty incurred under the Repealed Act is saved, though the Act 7 of 1947 has been repealed under sub-section (2) of Section 81 of the Act. The contention of the respondent is that the Repealed Act, after the Act had come into force in 1973, is a dead corpse and no life into it could be blown with the aid of Section 81(2) of the Act or Section 6 of the General Clauses Act. We find no force in the contention. The effect of the repealed Act by operation of clause (e) of Section 6 of the General Clauses Act

³¹ 1993 Supp (2) SCC 724



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read with sub-section (2) of Section 81 is that, though the Act obliterates the operation of Act 7 of 1947, despite its repeal, the penalty, liability, forfeiture or prosecution for acts done while the repealed Act was in force were kept alive, though no action thereunder was taken when the Repealed Act was in force. The rights acquired or accrued or the liabilities incurred or any penalty, forfeiture or punishment incurred during its operation are kept alive. Investigations to be made or any remedy which may have been available before the repeal be enforced are also preserved. Such rights, liabilities, penalty, forfeiture or punishment, due to repeal “shall not lapse”. The saving clause, thus, aimed to preserve the legal effect and consequences of things done though those effects and consequences projected to post-repeal period. The things done adumbrated in Section 81(2) or Section 6 of the General Clauses Act or penalty or punishment incurred would envisage that the things already done or liabilities, penalty punishment or forfeiture incurred, though happened before the Act came into force, Section 81(2) of the Act empowers to effectuate the liabilities, penalties, etc. as if they have been in existence and amenable to be pursued under the Act or under the Repealed Act by operation of Section 6 of General Clauses Act. What is unaffected by the repeal of the Act 7 of 1947 is a right accrued, etc. There is a distinction between a legal proceeding for enforcing a right acquired or accrued or liability, penalty, forfeiture, punishment incurred and the legal proceedings for acquisition of a right, the former is saved whereas the latter is not. In spite of repeal the right to investigation or to take legal proceedings remain unaffected and preserved as if the old Act continues to be operative. What remains to be done, after the Act came into force, is the quantification, if necessary after due investigation and legal proceedings and if proved to impose the penalty, forfeiture or punishment. The Court takes cognizance of the offence and not the offender or the acts done. What the Court is to enquire into is whether the Act is incompatible with the repealed Act and whether it manifested any contrary intentions to the Repealed Act. Unless a different intention has been manifested in the Act, the Repealed Act would continue to be operative. Even in a case of bare repeal accompanied by a fresh legislation on the same subject, the provisions of the new Act will have to be looked into to find where and how far the new Act envisages a contrary intention affecting the operation of Section 6 of the General Clauses Act. Unless such contrary intention is manifested, liabilities, penalties, forfeiture or punishment under the Repealed Act will continue to exist and remain in force by operation of Section 6 of the General Clauses Act.”



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88. These decisions explain the phrase “*anything done*” which occurs often in savings clauses as applying not only to acts completed but also to liabilities accrued and consequences suffered under the old law. A repeal does not merely protect rights which may have been perfected but applies equally to liabilities incurred or disabilities that may be suffered. The judgments noticed hereinabove go even further to propound the legal position to be that liabilities, penalties, forfeitures or punishments do not lapse merely because the previous legislation comes to be repealed and replaced. Thus, legal consequences of acts which come to be attached prior to the repeal of a statute would not stand effaced. What needs to be emphasized is that irreversible or irrevocable consequences suffered prior to repeal do not get washed away upon the introduction of a new set of statutory provisions. Inevitable consequences of inaction cannot be erased or overcome where the statute incorporates a savings clause such as Rule 158 of the 2017 Rules.

89. Both Rules 50 and 51 constructed inviolable time lines within which action was to be taken, be it in connection with an opposition or an application. Once those time lines were crossed, the statutory provisions conferred no discretion upon the authority to extend the period within which compliance could have been effected. While Rule 50 explicitly provided for deemed abandonment, the consequences of non-compliance with the rigours of Rule 51 was intended to have a similar effect. Upon the expiry of the three-month window, the opponent as well as the applicant lost the right to lead evidence in support of their cause. In *Mahesh Gupta* the right came to be extinguished in February 2010 while in *SAP SE* the cessation occurred



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in February 2014 and thus evidently many years before the 2017 Rules came to be enforced. Merely because those causes came to be decided and ruled upon much later in 2019 would be of little consequence. The liabilities which stood incurred in 2010 and 2014 could not have been obliterated merely because the 2002 Rules came to be repealed and replaced in 2017. This, more so since the rights and liabilities flowing from the former stood saved by virtue of Rule 158. In our considered opinion, the enquiry on whether Rules 50 and 51 or for that matter their corresponding provisions under the 2017 Rules were procedural and thus directory was clearly misplaced. A rule even though it may purport to deal with a matter of procedure, cannot be construed as intended to reopen or expunge consequences and liabilities already suffered.

90. The aforesaid observations would be subject to a caveat insofar as the SAP SE matter is concerned since in that case an additional issue of the purport of the 12 February 2014 communication and whether it amounted to an avoidance of abandonment under the 2002 Rules appears to have been raised. That however is a question pertaining to the merits of the case and would thus have to be left for the consideration of the learned Judge.

91. We are also of the considered opinion that the learned Judge in *Mahesh Gupta* rightly rejects the legal position which came to be enunciated by the Gujarat High Court in *Wyeth Holdings* for the following reasons. In *Wyeth Holdings*, the Gujarat High Court appears to have construed and understood Rule 50 of the 2002 Rules, if not being read down facing the specter of a declaration of invalidity since a restrictive condition would have run contrary to the power of extension



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otherwise conferred on the Registrar by virtue of Section 131 of the 1999 Act. We find ourselves unable to sustain the aforesaid conclusion bearing in mind the indubitable fact that the power of extension as conferred by Section 131 was circumscribed by the use of the expression “*not being a time expressly provided in this Act*”. As was rightly contended by Ms. Sukumar, a rule, though subordinate to the parent legislation, undoubtedly constitutes and forms part of a singular and umbrella scheme and thus part of the parent enactment itself. A rule, thus, has to be harmoniously construed alongside the provisions of the Act. The Gujarat High Court in *Wyeth Holdings* not only fails to accord adequate consideration to the exclusions in Section 131, it also fails to bear in mind the express exclusion of the extension power which stood embodied in Rule 105 of the 2002 Rules. As has been noticed in the preceding parts of this decision, the said Rule clearly exorcises those provisions from the ambit of the general power conferred by Rule 105, which had prescribed a maximum period of limitation. As we had noticed hereinabove both Rules 50 and 51 employ the “*not exceeding*” phraseology. We thus fail to discern any conflict between the 2002 Rules and Section 131 of the 1999 Act.

92. The decision of the Gujarat High Court in **Bauch & Lomb Incorporated v. UOI & Ors**³² essentially follows the *Wyeth Holdings* decision and thus does not commend further consideration. Similar is the conclusion that we are constrained to record in respect of the Gujarat High Court decision in *Intas Pharmaceuticals*.

³² 2016 SCC Online Guj 2980



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93. We further bear in consideration the submissions advanced by Ms. Sukumar and who had distinguished the various decisions cited by learned counsel for the appellant in the Mahesh Gupta appeal and which related to repeal of statutes. We note that the appellant had cited for our consideration para 71 of **Gammon India Ltd. v. Special Chief Secretary & Ors**³³ which reads as follows:

“71. Since the effect of a repeal is to obliterate the statute and to destroy its effective operation in future, or to suspend the operation of the common law, when it is a common law principle which is abrogated, any proceedings which have not culminated in a final judgment prior to the repeal are abated at the consummation of the repeal. When, however, the repeal does not contemplate either a substantive common law or statutory right, but merely the procedure prescribed to secure the enforcement of the right, the right itself is not annulled but remains in existence enforced by applying the new procedure.”

94. However, the aforesaid observations would be liable to be viewed bearing in mind the following foundational principles which were laid out in para 22 of *Gammon India*:

“22. A repeal therefore, without any saving clause would destroy any proceeding whether or not yet begun or whether pending at the time of enactment of the repealing Act and not already prosecuted to a final judgment so as to create a vested right.”

95. Further, the Supreme Court in *Gammon India* also observed that the repealed enactment, namely the Andhra Pradesh General Sales Tax Act 1957 would apply to pending proceedings initiated under the said act, despite it being repealed by the subsequent Andhra Pradesh Value Added Tax Act, 2005. The relevant portions of the said judgment are extracted hereinbelow:

³³ (2006) 3 SCC 354



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“72. In the instant cases, there is a simultaneous repeal and the re-enactment and the A.P. VAT Act clearly saves the earlier provisions in toto. Consequently, rights and liabilities accrued or incurred under the A.P. GST Act shall continue even after it is repealed.

73. On critical analysis and scrutiny of all relevant cases and opinions of learned authors, the conclusion becomes inescapable that whenever there is a repeal of an enactment and simultaneous re-enactment, the re-enactment is to be considered as reaffirmation of the old law and provisions of the repealed Act which are thus re-enacted continue in force uninterruptedly unless the re-enacted enactment manifests an intention incompatible with or contrary to the provisions of the repealed Act. Such incompatibility will have to be ascertained from a consideration of the relevant provisions of the re-enacted enactment and the mere absence of the saving clause is, by itself, not material for consideration of all the relevant provisions of the new enactment. In other words, a clear legislative intention of the re-enacted enactment has to be inferred and gathered whether it intended to preserve all the rights and liabilities of a repealed statute intact or modify or to obliterate them altogether.

74. On the touchstone of the principles of law culled out from the judgments of various courts applied to the facts of these cases lead to a definite conclusion that the Assistant Commissioner (Commercial Taxes), Warangal Division was fully justified in initiating and completing the proceedings under the A.P. GST Act even after it is repealed.”

96. In this backdrop, it is evident that the decision in *Gammon India* would not aid the appellant’s submission that the repeal of the 2002 Rules would obliterate liabilities incurred and destroy its effective operation in respect of pending proceedings initiated prior to its repeal. Similarly, *Dhanna Lal* and which was concerned with the Motor Vehicles Amendment Act 1994, must be appreciated bearing in mind the undisputed position that the amendment act did not provide for a savings provision with respect to Section 166(3) of the Motor Vehicles Act, 1989, which was omitted. The decision of the Supreme Court in *Kochi Cricket Private Limited* is also distinguishable for reasons



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aforenoted since the Arbitration and Conciliation Amendment Act 2015 had not saved pending proceedings, especially pending Sections 34 and 36 applications. In any case, the said judgment was not dealing with disabilities suffered.

97. The decision in **Narhari Shivaram Shet Narvekar v. Pannalal Umediram**³⁴ was principally concerned with the effect of repeal on pending execution proceedings. It was in the aforesaid context that the Supreme Court observed that procedural provisions would be deemed to be retroactive. However, the aforesaid decision as well as the others which were cited for our consideration were clearly not concerned with situations of irrevocability which came into effect by virtue of Rules 50 and 51 of the 2002 Rules.

98. As has been noticed by us hereinabove, the fundamental question which arose and merited consideration was whether inevitable and irreversible consequences could have been effaced or re-opened upon the 2017 Rules coming into force. For reasons aforenoted, we are of the firm opinion that the 2017 Rules could not have been accepted as mandating a re-opening of consequences which had come into effect or liabilities which had come to accrue.

J. EPILOGUE

99. In our considered opinion, the fault line in *SAP SE*, is found in para 25 which is reproduced hereinbelow: -

““25. The afore-noted decision does not take note of the judgments of the Supreme Court regarding the retrospective application of procedural amendments. Furthermore, Rule 158

³⁴ (1976) 3 SCC 203



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categorically provides that the 2002 Rules are repealed. This means that 2002 Rules no longer have any legal force or effect from the time when 2017 Rules came into effect. The expression “without prejudice to anything done under such rules before the coming into force of these rules”, means that any actions taken, decisions made or rights granted under the 2002 Rules, are still valid and will not be affected by the repeal. In other words, the repeal of 2002 Rules, does not erase or invalidate what has been done under them prior to the coming into force of 2017 Rules. Further, the expression “before the coming into force of these rules”, specifies the timeline that the clause applies to, which is to any time period before the 2017 Rules came into force. As discussed above, generally, procedural amendments are intended to apply retrospectively unless there is a clear indication to the contrary. The saving expression in the clause noted above is designed to ensure that actions taken, decisions made or rights granted under the repealed rules (2002 Rules) are preserved and remain unaffected by the repeal. The clauses would apply to actions completed or rights accrued under the 2002 Rules. The phrase “anything done under such rules”, typically refers to completed actions or established rights. In the instant case, the significant action taken under the 2002 rules was filing of the trademark application or submitting the evidence. These actions remain valid and would not be invalidated by the coming into force of 2017 Rules. However, the decision declining Appellant’s evidence because of delay, taken in 2019, is a separate action, at which point of time 2017 Rules were subsisting and therefore, the decision should have been guided by the 2017 Rules. The saving clause protects what was done under the 2002 Rules, but does not dictate that the 2002 Rules continue to govern all aspects of the proceedings after the enforcement of 2017 Rules. Such an interpretation would effectively render the repeal of 2002 Rules meaningless, thereby defeating the intent of replacing the old rules with new ones.”

100. As would be evident from the aforesaid extract, while the learned Judge does refer to completed actions and established rights, it clearly fails to bear in mind liabilities accrued and incurred. While it correctly holds that the repeal would not erase or invalidate what had been done prior to the 2017 Rules coming into force, it manifestly fails to allude to or consider irrevocable consequences which may have set in the meanwhile and prior to those rules being promulgated. It is also



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relevant to note that in order to save deemed abandonment, the learned Judge appears to have proceeded on the premise that since the decision was taken in 2019, the same should have been guided by the 2017 Rules. This line of reasoning proceeds in ignorance of the option provided to the applicant and the opponent to proceed on the basis of material already placed on the record. It also fails to weigh in consideration that Rule 46 incorporates the deemed abandonment precept in terms far more explicit and unambiguous than Rule 51 of the 2002 Rules.

101. The learned Judge also completely fails to bear in consideration that on a plain and literal interpretation, and if the 2017 Rules were to apply to pending proceedings, the time for submission of evidence would stand reduced to two months even though the period of compliance may not have come to an end at the time when those rules came to be introduced. This would compel us to acknowledge the curtailment of a right conferred. A deemed abandonment could have been avoided both under Rules 50 and 51 of the 2002 Rules as well as Rules 45 and 46 of the 2017 Rules. This issue could have been conveniently answered based on the option that was otherwise provisioned for in Rule 51 itself. More importantly, the deemed abandonment principle which could have remained a subject matter of contestation in the absence of that language having been replicated in Rule 51, stood explicitly incorporated in Rule 46 of the 2017 Rules. In our considered opinion, the solitary question which merited consideration was whether a decision rendered in 2019 could have overlooked or avoided an inevitable consequence which had in the



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meanwhile come into effect. The answer to that would clearly be in the negative.

102. Question (i), thus, as it stands framed, did not arise for consideration at all. In any case, it stands so broadly framed that it fails to even comprehend or envisage the aspect of liabilities incurred which is a necessary concomitant to rights accrued or perfected. The learned Judge appears to have proceeded on the mistaken premise of the 2017 Rules conferring some benefit which was otherwise unavailable under the 2002 Rules. We are thus of the firm opinion that the only question which warrants an answer is Question (ii) of the Reference.

103. On an overall conspectus of the aforesaid, we would return the Reference by answering Question (ii) in the affirmative. This since we have for reasons recorded hereinabove come to the firm conclusion that Rule 158 and “*anything done*” would include liabilities incurred or irreversible consequences.

104. We would reframe Question (i) to read as follows: -

Question (i): -Whether the 2017 Rules would impact pending proceedings and thus efface liabilities incurred or consequences suffered?

We for reasons aforementioned would answer this question in the negative.

105. The Reference stands answered accordingly. The matter may now be posted before the appropriate Court for further proceedings being taken on 08 April 2024.



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106. LPA 429/2023, for reasons aforenoted, fails and shall stand dismissed.

YASHWANT VARMA, J.

DHARMESH SHARMA, J.

MARCH 13, 2024/kk