
(2016) 05 BOM CK 0025

In the Bombay High Court

Case No : Writ Petition No. 1104 of 2013

Creative Tours & Travels (India) Private Limited

APPELLANT

Vs

Intellectual Property Appellate Board

RESPONDENT

Date of Decision : 04-05-2016

Acts Referred:

Constitution of India, 1950 — Article 226
Trade Marks Act, 1999 — Section 12, 57

Citation : (2016) 4 AIRBomR 129 : (2017) 2 ALLMR 75 : (2016) 3 MIPR 86

Hon'ble Judges : S.C. Dharmadhikari and Dr. Shalini Phansalkar Joshi, JJ.

Bench : Division Bench

Advocate : Dr. Birendra Saraf a/w. Mr. Darius Dalal, Ms. Rashmi Thakur, Ms. Deepti Vora, Ms. Priya Thakar, i/by M/s. Jehangir Gulabbhai and Bilimoria, Advocates, for the Appellant; Mr. Advait M. Sethna a/w. Mr. D.P. Singh, Advocates, Mr. M.P. Rao, Senior Counsel, a/

Final Decision : Dismissed

Judgement

S.C. Dharmadhikari, J. (Oral) - By this Petition, under Article 226 of the Constitution of India, the Petitioner challenges the order passed on 26th November 2012 by Respondent No.1.

2. By the impugned order, the Intellectual Property Appellate Board, (IPAB), has passed an order on Miscellaneous Petition Nos.232 and 233 of 2012 in the case of an original registration and directed expunging of the impugned trademark. It has also directed payment of costs of Rs.10,000/- by the Petitioner to the successful Respondent No.3.

3. It is the claim of the Petitioner that they are a Company incorporated under the Indian Companies Act, 1956. The predecessor of the Petitioner was a Proprietary Concern of Mr. V.S. Abdul Karim, who carried on business under the trade name of "Creative Enterprises" from the year 1979 and then changed the name to "Creative Travel and Tours" in 1992. In 1997, the Petitioner was incorporated under the corporate name, namely, "Creative Tours and Travels

(India) Private Limited". One Mr. V.S. Abdul Karim is the Managing Director of the Petitioner-Company. The Petitioner-Company carries on business, inter alia, of tours and travel arrangements, manpower consultancy and recruitment.

4. Respondent No.1 is a statutory authority constituted under the Trade Marks Act, 1999. Respondent No.2 is the Registrar of Trade Marks, Trade Marks Registry, Mumbai. The Registrar has registered a trade mark bearing No.1280212 in Class-39 with effect from 22nd April 2004.

5. Respondent No.3 before us is a Company incorporated under the Indian Companies Act, 1956 and having its registered office at New Delhi. It is also in the same business of tours and travel. Respondent No.4 is the Union of India.

6. The claim of the Petitioner is that, from the year 1979, Mr. V.S. Abdul Karim created a Proprietary Concern called "Creative Enterprises" for tours and travel business and also in 1992 started a Concern called "Creative Travel and Tours" as a Division of Creative Enterprises for IATA Passenger Sales. In 1997, "Creative Tours and Travels (India) Private Limited" was incorporated by the said Sole Proprietor.

7. The claim of the Petitioner is that they are in the business since 1979 and they are using the name "CREATIVE" as their trade name. Thus, they are claiming to be entitled to use the trade mark "CREATIVE" in relation to, inter alia, manpower, recruitment and tours and travel services. The trade mark "CREATIVE" and the logo referred to in Para No.6 of the Petition with the distinctive and original artistic work and colour scheme, is claimed to be used as a trade mark-cum-service mark from 12th August 1997 by the Petitioner and prior thereto, from 1979, by "Creative Enterprises" and by "Creative Travel and Tours" from 1992.

8. The Petitioner, therefore, on 22nd April 2004 applied for registration of a distinctive label mark and the word mark "Creative Tours and Travels (India) Private Limited", along with an original artistically rendered device of a Globe formed by four letters, namely, "CCTE". That was sought to be registered. An application in that regard was made, which was duly published in the Trade Marks Journal No.1331 at Page No.1243 on 1st June 2005. It is the claim of the Petitioner that no opposition was raised and that is why this mark was registered by the Registrar of Trade Marks- Respondent No.2 herein. He, accordingly, issued a Registration Certificate. The Petitioner claims that they have all the licenses and authorizations and, equally, they are claiming accreditation's from the International Air Transport Association (IATA). They are also claiming that they had a sub-registration under the Bombay Shops and Establishments Act, 1948. The predecessor and, equally, the successor-Company, the Petitioner before us, have been filing their Income Tax Returns. On the basis of all this, the Petitioner claims that "Creative Travel and Tours" was a Division of Creative Enterprises from the year 1993 upto 1997. It is claimed that, in 1996, Indian Airlines Limited authorised "Creative Travel and Tours" to represent it in promoting and selling air-passenger transportation. Annexures "D-1" to "D-4" are the Certificates in that

regard, which are relied upon. The Petitioner also relies upon the Certificate of Incorporation dated 12th August 1997. The Petitioner has also been allowed a change in status, namely, that of a "Private Limited Company" from a Sole Proprietor. They are also relying upon a Passenger Sales Agency Agreement with IATA on 30th May 1998. The Petitioner also annexes copies of the Annual Income Tax Returns filed before the Registrar of Companies from 1997-98 to 2004-05. The Petitioner also relied upon several Awards and Certificates from 1997 to 2012, which have been issued and awarded by various Trade Associations, Airlines and Aircraft Carriers. Annexures "H-1" to "H-60" are the copies of those Certificates and Awards. The Petitioner has also been registered as "Haj Tour Operator" by the Ministry of External Affairs, Government of India. The Petitioner also relies upon the approval granted by the Maharashtra Tourism Development Corporation (MTDC) as "approved agent" and the Petitioner is also claiming that their gross turnover, as certified by their Chartered Accountant, from 1999-2006 has crossed Rs.345 crores.

9. Once the Petitioner claims to have carried on such vast business, then, it is their contention that Respondent No.3 filed proceedings after issuing a legal notice. Those legal proceedings are enumerated, including a Suit No.1405 of 2006, in the High Court of Delhi. The claim of the Petitioner is that, an ex-parte interim injunction was granted on 14th July 2006, which, upon the Petitioner's application, came to be vacated. An Appeal preferred against that order was also dismissed by a Division Bench of that High Court.

10. A further Appeal to the Hon'ble Supreme Court of India met with the same fate. The copies of the proceedings have been relied upon, including the orders passed therein.

11. It is in such circumstances that the Petitioner opposed, what is styled as, a Rectification Application filed by Respondent No.3 before Respondent No.1 (impugned proceedings).

12. The Petitioner filed its counter-statement to this Rectification Application. Though this application was initially dismissed for non-prosecution, but, upon a restoration Petition, it came to be restored on 2nd December 2011.

13. Thereafter, detailed replies, rejoinder and sur-rejoinder were filed, but the complaint of the Petitioner is that Respondent No.1 entertained applications for filing of documents even after personal hearing.

14. It is thereafter claimed that, by a cryptic and virtually unreasoned order, Respondent No.1 has allowed the Rectification Application. It is this order, which is challenged before us in this Petition.

15. Dr. Birendra Saraf, learned counsel appearing on behalf of the Petitioner, raised two fold contentions. His first contention is that the order under challenge is vitiated by non-observance of principles of natural justice. In that regard, he has relied upon the grounds in the Petition and he would submit that serious

prejudice is caused by entertaining documents upon conclusion of the hearing and the record would reveal as to how the Board did not afford a proper and reasonable opportunity to the Petitioner of defending the rectification proceedings.

16. Dr. Saraf then contended that the impugned order is vitiated by total non-application of mind. It is also vitiated by errors of law apparent on the face of the record. It is also perverse, in as much as, the IPAB did not take into account material and relevant documents. It also omitted from consideration certain vital factual aspects, though there was no dispute with regard thereto.

17. Dr. Saraf would submit that, on merits as well, the Petitioner has established its honest concurrent use. By relying upon Page Nos.89 and 90 of the paper-book, Dr. Saraf would submit that these documents would evidence that M/s. Creative Travel and Tours was a functional and operational agent and duly appointed as such by Indian Airlines Limited. He would then submit that at Page No.94 of the paper-book is another document, which would enable us to conclude that it is nothing but an ongoing and functional tour and travels business, which was taken over by this Private Limited Company. It is erroneous, therefore, to assume that there is a new Entity and recently registered. Dr. Saraf would submit that there was already a functional Sole Proprietary Concern in Tour and Travel business. The Proprietor, whose name and other details were placed on record, was carrying on identical business. He incorporated, in the year 1997, the Petitioner-Company. The Certificate of Incorporation and the Articles of Association would duly support this aspect. Dr. Saraf relying upon copies of the Income Tax Returns, from Page Nos.136 onwards of the paper-book, would submit that since the incorporation was at the end of a financial year, the Petitioner-Company could not file its Income Tax Return in its name. The Petitioner-Company filed Income Tax Returns post incorporation and registration. However, prior thereto, the Income Tax Returns were filed and throughout by the Sole Proprietor. It is in these circumstances that when there are adequate materials to indicate that the Petitioner-Company has established itself and its predecessor-in-title extensively in the market from 1979, then, the Board should have taken into consideration the documents in that regard. There is voluminous evidence in the form of Extracts from the Reports of the Board of Directors, the accreditations from the International Air Transport Association (IATA) and, equally, from the Indian Airlines Limited. In this regard, Page Nos.324 to 326 of the paper-book are relied upon. Further Dr. Saraf would submit that, from 22nd April 2004, the mark of the Petitioner has been registered. There was no occasion, therefore, to disturb or interfere with such registration. It is only at the instance of Respondent No.3, that too belatedly, the Petitioner's mark has been expunged. The ex-pungtion has caused serious loss and tremendous prejudice to the Petitioner and the impugned order, therefore, violates the mandate of Articles 14 and 19(1)(g) of the Constitution of India. For all these reasons, he would submit that the Writ Petition be allowed.

18. In support of the above contentions, Dr. Saraf relied upon the Judgment of the Hon^{ble} Supreme Court of India in the case of London Rubber Co. Ltd. v. Durex Products Incorporated & Anr., Civil Appeal No.26 of 1961, decided on 4th March 1963, reported in AIR 1963 SC 1882.

19. Dr. Saraf also relied upon the Judgment of a learned Single Judge of this Court in the case of Kores (India) Ltd. v. M/s. Khoday Eshwarsa & Sons and Anr., Miscellaneous Petition No.864 of 1977, decided on 3rd March 1984. He also relied upon some Judgments of the English Court, based upon identical provisions, reported in Reports of Patent, Design and Trade Mark Cases as under :-

(i) In the matter of Trade Mark "Pup", 1933 (50) RPC 198;

(ii) In the matter of Trade Mark "GE", [1973] No.11 RPC 297.

(iii) In the matter of Trade Mark "BULER", [1975] No.10 RPC 275.

20. On the other hand, Mr. Rao, learned Senior Counsel appearing on behalf of contesting Respondent No.3, supported the impugned order. Mr. Rao would submit that, even if the reasoning of the Board in the impugned order is not elaborate and there are some mistakes, which are factual in nature, yet, its ultimate conclusion can be fully supported and justified. This is not a case where the Petitioner could produce any material, which would establish honest and concurrent use. Mr. Rao would submit that the findings of fact recorded are in consonance with all the materials produced on record. When there was no evidence, much less and cogent and satisfactory to prove the plea of honest concurrent user, then, the Board was justified in expunging the mark. Its factual findings are based on several factual materials, including an e-mail. That e-mail would clinch the issue. Though the e-mail was meant for Respondent No.3, it inadvertently found its way to the Petitioner and that is because of utter confusion that is caused in the mind of a very reputed hotel company, namely, the Taj Group of Hotels. In the circumstances, he would support the findings of the Board and seek dismissal of this Writ Petition.

21. For properly appreciating the rival contentions, we would have to refer to the statutory provisions. The Trade Marks Act, 1999 has been enacted on 30th December 1999 to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. Thus, what it does is to amend and consolidate the law relating to Trade Marks and to provide for registration. It seeks to better protect the Trade Marks for goods and services and at the same time prevention of the use of fraudulent marks. Its provisions must, therefore, receive such interpretation as would advance this object and purpose and suppress the mischief, which is intended to be suppressed by the law. We have, therefore, been taken through Chapter-I containing preliminary provisions, including definitions. The Appellate Board, which has passed the impugned order, is a Board established under Section 83. Prior thereto, we must see the definition of the term "mark", which is to be found in Section 2(m), and

thereafter the terms "register" and "registered", which are defined in Section 2(t) and 2(u).

22. The term "registered trade mark", as defined in Section 2(w), means a trade mark, which is actually on the register and remaining in force. The term "Registrar", as defined in Section 2(y), to mean the Registrar of Trade Marks referred to in Section 3 and definition of the term "service" is incorporated so as to then elaborate as to what is meant by a service mark. The word "service" is defined in clause 2(1)(z). The word "trademark" is defined in Section 2(2) to mean unless the context otherwise requires a reference to "collective mark" or "certification trade mark" and the use of a mark shall be construed as a reference to the use of printed or other visual representation of the mark and to the use of a mark in relation to services, shall be construed as a reference to the use of the mark as or as part of any statement about the availability, provision or performance of such services. Section 2(3) clarifies that, for the purpose of the Trade Marks Act, 1999, goods and services are associated with each other if it is likely that those goods might be sold or otherwise traded in and those services might be provided by the same business and with descriptions of goods and descriptions of services.

23. Chapter-II is titled as "The Register And Conditions For Registration" and there appears Section 11. That reads as under :-

"11. Relative grounds for refusal of registration. -

(1) Save as provided in section 12, a trade mark shall not be registered if, because of -

(a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or

(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

(2) A trade mark which -

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor,

shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented -

(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or

(b) by virtue of law of copyright.

(4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances under Section 12.

(5) A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including -

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark, in particular, the extent to which the trade mark has been recognised as a well-known trade mark by any Court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account -

(i) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that trade mark applies.

(8) Where a trade mark has been determined to be well-known in at least one relevant section of the public in India by any Court or Registrar, the Registrar shall consider that trade mark as a well-known trade mark for registration under

this Act.

(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely :-

- (i) that the trade mark has been used in India;
- (ii) that the trade mark has been registered;
- (iii) that the application for registration of the trade mark has been filed in India;
- (iv) that the trade mark -
 - (a) is well-known in; or
 - (b) has been registered in; or
 - (c) in respect of which an application for registration has been filed in, any jurisdiction other than India; or
- (v) that the trade mark is well-known to the public at large in India.

(10) While considering an application for registration of a trade mark and opposition filed in respect thereof, the Registrar shall -

- (i) protect a well-known trade mark against the identical or similar trade marks;
- (ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.

(11) Where a trade mark has been registered in good faith disclosing the material informations to the Registrar or where right to a trade mark has been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark."

24. A bare perusal of Section 11 would indicate as to how it incorporates relative grounds for refusal of registration. The aspect of registration in case of honest concurrent use etc. is dealt with by Section 12. That reads as under :-

"12. Registration in the case of honest concurrent use, etc.. -

In the case of honest concurrent use or of other special circumstances which in the opinion of the Registrar, make it proper so to do, he may permit the registration by more than one proprietor of the trade marks which are identical or similar (whether any such trade mark is already registered or not) in respect of the same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think fit to impose."

25. Therefore, the opinion of the Registrar in case of honest concurrent use or existence of other special circumstances permit registration by more than one proprietor of the trade marks, which are identical or similar in respect of the

same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think fit to impose. Thus, in the case of honest concurrent use and with which we are concerned, the opinion of the Trade Mark Registrar shall be in accordance with Section 12 and the permission envisaged thereunder is irrespective of the fact that there is any trade mark already registered or not.

26. On the application, that was filed by Respondent No.3, for rectification, a copy of which is also enclosed to the Petition, the impugned order has been passed. We permitted the parties to inspect the original record so as to convince us that the registration in favour of the Petitioner, as granted by the Registrar, is vitiated or otherwise. The foundation for the Rectification Application appears to be a notice styled as "Cease and Desist Notice", copy whereof is enclosed to the Petition at Page No. 327, "Annexure L-1". That was addressed to both, the Petitioner and one V.S. Abdul Karim. That claims that Respondent No.3 registered as "Creative Travel Private Limited" at New Delhi is a Company established in the year 1977 as a Private Limited Company. It is duly registered under the Indian Companies Act, 1956. The Company was established amongst others with an object to deal in destination management, corporate package, conferences and meetings. During the period of three decades, the Company claims to be in the field of tours and travels and it is a trade mark in itself. The global membership and the registration of the mark under the predecessor enactment, namely, Trade and Merchandise Marks Act, 1958 is relied upon together with the goodwill and reputation. It is based on the assertions in these notices that the Petitioner was called upon to discontinue and cease from using the mark or the impugned trademark "CREATIVE".

27. True it is that, thereafter the action / suit for infringement was brought and presently that suit is pending. An interim application therein was duly filed, but that was contested by the Petitioner. That application was dismissed and Dr. Saraf seeks to rely upon the findings therein. It is submitted that these findings have been approved by a Division Bench of the same High Court in dismissing an Intra-Court Appeal. Even the Supreme Court upheld such an order and concurrently passed. However, we are of the view that the present proceedings, being distinct in nature, have to be viewed differently. The parameters and tests that have to be applied and by the Board are undisputed. Those are to be applied in the present proceedings, which are styled as rectification proceedings.

28. The Appellate Board, established by Section 83, falling in Chapter XI is styled as "Intellectual Property Appellate Board". It exercises the jurisdiction, powers and authority conferred on it by or under the Trade Marks Act, 1999. The title of this Chapter is "Rectification and Correction of the Register". As to what are rectification proceedings is clarified by Chapter VII. Therein appear Sections 57 to 60. These provisions enable cancellation or variation of registration and the rectification of the register. The power in that behalf has been conferred on the Appellate Board or the Registrar.

29. Meaning thereby, these powers are vested in the Intellectual Property Appellate Board and the Registrar. One of them can be approached by any person aggrieved. Sections 57, 58, 59 and 60 read as under :-

57. Power to cancel or vary registration and to rectify the register.-

(1) On application made in the prescribed manner to the Appellate Board or to the Registrar by any person aggrieved, the tribunal may make such order as it may think fit for canceling or varying the registration of a trade mark on the ground of any contravention, or failure to observe a condition entered on the register in relation thereto.

(2) Any person aggrieved by the absence or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the register, may apply in the prescribed manner to the Appellate Board or to the Registrar, and the tribunal may make such order for making, expunging or varying the entry as it may think fit.

(3) The tribunal may in any proceeding under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.

(4) The tribunal, of its own motion, may, after giving notice in the prescribed manner to the parties concerned and after giving them an opportunity, of being heard, make any order referred to in sub-section (1) or sub-section (2).

(5) Any order of the Appellate Board rectifying the register shall direct that notice of the rectification shall be served upon the Registrar in the prescribed manner who shall upon receipt of such notice rectify the register accordingly.

58. Correction of register.-

(1) The Registrar may, on application made in the prescribed manner by the registered proprietor -

(a) correct any error in the name, address or description of the registered proprietor of a trade mark, or any other entry relating to the trade mark.

(b) enter any change in the name, address or description of the persons who is registered as proprietor of trade mark.

(c) cancel the entry of a trade mark on the register.

(d) strike out any goods or classes of goods or services from those in respect of which a trade mark is registered.

And may make any consequential amendment or alteration in the certificate of registration, and for that purpose, may require the certificate of registration to be produced to him.

(2) The Registrar may, on application made in the prescribed manner by a registered user of a trade mark, and after notice to the registered proprietor, correct and error or enter any change, in the name, address or description of the registered user.

59. Alteration of registered trade marks. ?

(1) The registered proprietor of a trade mark may apply in the prescribed manner to the Registrar for leave to add to or alter the trade mark in any manner not substantially affecting the identity thereof, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.

(2) The Registrar may cause an application under this section to be advertised in the prescribed manner in any case where it appears to him that it is expedient so to do, and where he does so, if within the prescribed time from the date of advertisement any person gives notice to the registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

(3) Where leave is granted under this section, the trade mark as altered shall be advertised in the prescribed manner, unless the application has already been advertised under sub-section (2).

60. Adaptation of entries in register to amended or substituted classification of goods or services.-

(1) The Registrar shall not make any amendment of the register which would have the effect of adding any goods or classes of goods or services to those in respect of which a trade mark is registered (whether in one or more classes) immediately before the amendment is to be made or of antedating the registration of a trade mark in respect of any goods or services.

Provided that this sub section, shall not apply when the Registrar is satisfied that compliance therewith would involve undue complexity and that the addition or antedating, as the case may be, would not affect any substantial quantity of goods or services and would not substantially prejudice the rights of any person.

(2) A proposal so to amend the register shall be brought to the notice of the registered proprietor of the trade mark affected and advertised in the prescribed manner, and may be opposed before the Registrar by any person aggrieved on the ground that the proposed amendment contravenes the provisions of sub-section (1).

30. Sub-section (1) of Section 57 empowers the Board, if an application is made in the prescribed manner to it or to the Registrar by any person aggrieved, to cancel or vary the registration of a trade mark on the ground of any contravention or failure to observe a condition entered on the register in relation thereto. The person aggrieved, who can make an application and within the

meaning of sub-section (2) of Section 57 should be aggrieved by the absence or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the register. He can apply in the prescribed manner to the Appellate Board or to the Registrar for making an order of expunging or varying the entry as it may think fit. Sub-section (3) of Section 57 empowers the Tribunal to decide any question that may be necessary or expedient in connection with the proceedings under Section 57(1) of the Act. The Tribunal has suo moto powers as well. Thus, cancellation, variation and rectification powers are vested in the IPAB. The conferment of power and that IPAB can exercise it in accordance with Section 57(3) of the Act read with IPAB Procedural Rules, 2003, is not disputed.

31. It is this power which has been invoked in the present case.

32. Dr. Saraf relied upon the Judgment of the Hon'ble Supreme Court in the case of London Rubber Co. Ltd. (Supra). An argument was canvassed therein and in relation to the proceedings where the Deputy Registrar of Trade Marks, Calcutta, admitted to register the trade mark "Durex", which Respondent No.1 to the Appeal claims to own and was using on the packaging of the contraceptives manufactured and marketed by it.

33. The Durex Products Inc., of New York City, U.S.A., made an application before the Deputy Registrar of Trade Marks for registering the mark "Durex" and for same goods. Its claim was disputed by the Appellant before the Supreme Court, the London based Company by lodging an opposition. The Appellant claimed to be well established manufacturer of surgical rubber goods and proprietor in India of the trade mark "Durex", which it has been using in India since the year 1932 i.e. from the year in which it was registered in the U.K. On 23rd December 1946, the Appellant applied for registration of the word "Durex" in Clause "X", which application was granted on 11th July 1951. On 24th July 1954, the registration was renewed for a period of 15 years as from 23rd December 1953. Respondent No.1's application as well as the Appellant's opposition came up before the Deputy Registrar of Trade Marks, who, by order dated 31st December 1954, overruled the objection of the Appellant before the Supreme Court and admitted the mark "Durex" to registration, as sought by Respondent No.1. Against this order, an Appeal was preferred before the High Court of Calcutta under Section 76 of the then Trade Marks Act 1940, which was dismissed by a Division Bench of that Court on 9th March 1959. However, a certificate of fitness was issued enabling a Appeal to be carried to the Supreme Court of India.

34. An argument, which was raised throughout and noted by the Supreme Court, is that there are distinct parameters and tests, which would enable registration of a trade mark, including under Section 10 of the Act. The argument was that by Section 8(a), it is only one aspect which has to be recorded as a part of the satisfaction of the Registrar, whereas, the parameters and tests for Section 10

and its applicability are distinct.

35. Noting this argument, the Hon"ble Supreme Court concluded that there is no substance in it and proceeded to reject it in the following words:-

"10. In the case before us, the Deputy Registrar has permitted the registration of the respondent's mark, though it is identical with that of the appellant's and though the appellant's mark was not registered at the date of the respondent's application, upon the ground of honest concurrent use of the mark by the respondent from the year 1928 and also on the ground that there are other special circumstances.

11. Mr. Pathak has challenged the finding about concurrent use and also the finding that there are special circumstances justifying the registration of the respondent's mark. We shall deal with the arguments advanced by him on these points later in our judgment. For, before we do so, we must deal with his argument, which is, indeed, his main argument, that the grounds given by the Deputy Registrar for registering the mark are not available in this case, because it falls under Section 8(a) of the Act and not under Section 10(1).

15. The fact that sub-section (2) is part of the same Section as sub-section (1) cannot justify the conclusion that it was enacted solely for the purpose of lifting the ban enacted by sub-section (1), its language is wide enough to embrace a mark which is already on the register as well as a mark which is not on the register at all. The mere fact that sub-section (1) is made subject to the provisions of sub-section (2) cannot justify the narrowing of the scope of the language used by the Legislature in sub-section (2). Indeed, it is the duty of the Court to give full effect to the language used by the Legislature. It has no power either to give that language a wider or narrower meaning than the literal one, unless the other provisions of the Act compel it to give such other meaning. Thus, for instance, if there had been no provision like Section 8(a) and the only provision relating to the prohibition of registration of marks was the one contained in sub-section (1) of Section 10, the Court would have been compelled to construe the language of sub-section (2) in such a way as to confine its operation to cases which fall under subsection (1). Full effect can be given to the opening words of sub-section (1) of Section 10 by construing them to mean that sub-section (1) is sub-servient to sub-section (2). No violence is done to those words nor anything detracted from their meaning by so construing them. Further, apart from sub-section (2), there is sub-section (3) in Section 10. If sub-section (2) is to be given restricted meaning, sub-section (3) also will have to be given a restricted meaning and confined to cases where there is already a mark on the register. To do so would clearly be an untenable construction of sub-section (3). That provision contemplates applications by different proprietors for registration of trade marks which are identical or nearly resemble each other in respect of the same goods or description of goods. The competition there contemplated is amongst proprietors whose marks are not on the register and is not limited to cases in which a mark of any other proprietor which is identical or similar to that

of the competition is already on the register. For, there is no reference in that provision to a proprietor whose mark is already on the register. If, therefore, sub-section (3) cannot be limited to cases which fall under sub-section (1), there is additional reason why sub-section (2) cannot be so limited either. Then there is another reason why such a limitation cannot be placed upon the language used in sub-section (2). If it were limited in the manner contended for on behalf of the appellant, the result would be that a mark which is not on the register will get a higher protection than a mark which is already on the register. Thus, honest concurrent use or other special circumstances would never be a ground for obtaining registration of an identical or similar mark unless there is on the register already a mark which is identical with or similar to the one which is sought to be registered. That would, indeed, create an extraordinary situation. As we have already stated, the appellant's mark was, in fact, registered on July 11, 1951 and if Mr. Pathak's argument is accepted, the very next day after the registration of the appellant's mark, it would have been open to the respondent to apply for registration of its mark and the Deputy Registrar would have had the jurisdiction to register it under sub-section (2) of Section 10, though he lacked that jurisdiction prior to the registration of the appellant's mark. We cannot ascribe to the Legislature an intention to create such a situation, a situation which can only be described as ludicrous.

16. In our opinion, the provisions of sub-section (2) of Section 10 are by way of an exception to the prohibitory provisions of the Trade Marks Act. Those provisions are contained in Section 8(a) and Section 10(1). It has been held in *Bass Ratcliff and Gritton Ltd. v. Nicholson and Sons Ltd.*, (1932) 49 RPC 88, that a trade mark is not necessarily entitled to protection because its use might deceive or cause confusion and, therefore, Section 11 does not override Section 12(2) of the English Act. In *Kerly on Trade Marks*, 8th edn. the position is stated thus :

"It is not correct to consider Section 11 without any regard to the provisions of other Sections of the Act. The general prohibition contained in Section 11 does not cover the cases where the tribunal thinks fit to exercise the discretion conferred by use under Section 12(2)." (pp. 168-9).

In support of this statement of the law, reliance is placed on *Re : Spillers Ltd.'s Application*, (1952) 69 RPC 32. In this case it was contended on behalf of the appellants before the High Court that the Assistant Comptroller in considering Section 11 had reached the conclusion that confusion was likely to be caused, it was not open to him to exercise any discretion under Section 12(2). *Danckwerts J.*, who heard the matter observed :

"This contention renders it necessary to consider the relations of Sections 11 and 12. For this purpose, the decisions of the former Sections 11, 19 and 12 of the Trade Marks Act, 1905, are of the greatest materiality." (p. 335).

He then considered those decisions and observed at p. 337 thus :

"It seems to me that the construction put by the House of Lords in the cases to which I have referred on Sections 11, 19 and 21 of the 1905 Act must also apply to Sections 11 and 12 of the 1938 Act, and lead to the conclusion that cases where the Court of Registrar thinks fit to exercise the discretion conferred by Section 12(2) do not fall within the general prohibition contained in Section 11."

No doubt, that was a case which fell under Section 12(1) of the English Act, but the view expressed by the learned Judge as well as his further observations support the statement of law by Kerly on Trade Marks. The observations of the learned Judge are :

"This being so, it would appear logical in cases which come within Section 12(1) to consider first whether the case is one in which the discretion conferred by Section 12(2) should be exercised so as to allow registration of the mark, and if the answer is in the affirmative, it cannot be necessary to consider Section 11 separately, because if there are reasons other than resemblance to an existing mark which cause the proposed mark to be dis-entitled to the protection of the Court, such reasons must surely affect the exercise of the discretion conferred by Section 12(2). It is not possible, as it seems to me, to apply the provisions of the Act as though they were in separate compartments :-

In the result, if there is any likelihood of confusion being caused, in my view, it would not be right to interfere with the Assistant Comptroller's exercise of the discretion under Section 12(2)."

17. This case was carried right upto the House of Lords. But the view taken by the learned Judge as to the applicability of Section 12(2) even to cases under Section 11 was not challenged by the unsuccessful party, nor has the House of Lords said anything which would throw doubt on the correctness of the view taken by the learned Judge on the point.

18. In Halsbury's Laws of England, Vol. 38, the legal position is stated thus at p. 543 :

"The foregoing provision (Section 11) does not override the statutory effect of honest concurrent use and an objection under the foregoing provision may be disposed of if there is evidence that the mark has been honestly used without confusion resulting."

In support of this statement, reliance has been placed on (1932) 49 RPC 88 as well as *Re : Alexander Pirie and Sons Ltd. Trade Mark*, (1933) 50 RPC 147, and *Re : Kidax Ltd.'s Application*, 1960 RPC 117. These decisions have a direct bearing upon the provisions which we have to construe here and lend support to the view which we have taken.

23. It was faintly argued that the respondent has not discharged the burden of establishing that there was no reasonable probability of confusion. This question cannot arise in a case of honest concurrent use. However, we may point out that the High Court, after observing that the burden was undoubtedly on the

respondent to establish that there was no reasonable probability of confusion has held that burden is discharged by the eloquent fact that throughout there has not been a single instance of confusion. In our opinion, there is hardly any likelihood of confusion or deception here because the respondent's goods are confined to contraceptives for use by women which can only be used with medical assistance while the appellant's contraceptives are essentially for men. Upon this view, we uphold the order of the High Court and dismiss the appeal with costs. Appeal dismissed."

36. Dr. Saraf would rely upon Para 10 of this Judgment, but that is to support his case that, though the Appellant's mark was not registered on the date of Respondent's application, upon the ground of honest concurrent use of the mark by the Respondent in that Appeal, from the year 1928 and also on the ground that there are other special circumstances, the Registrar was right in permitting the registration. The language of Section 12, according to the Counsel, of the 1993 Act, being more or less on par with Section 10 of the old Act, the same parameters, as laid down above, would apply. We have no hesitation in proceeding on these lines.

37. In the case before us, the Petitioner itself contested the Respondent No.3's application on the assertion that there is honest concurrent use. Once that was the assertion and the Board was obliged to consider it, then, it was incumbent upon the Petitioner to have substantiated its plea with cogent and satisfactory evidence. The material that the Petitioner produced in that behalf was found to be lacking.

38. True it is that, the Board could have elaborated the reasons assigned by it and in the manner done by us, but merely because it chooses to pass a short and brief order, does not mean that it is necessarily failing to apply its mind. It has not failed to apply its mind to the relevant materials. It has rather noted them and referred to them as well. In its lengthy narration of facts, grounds, it may have reproduced the contentions of both sides, but the Tribunal is aware of the materials produced by the parties as well. Once these materials were produced, the Board was well within its powers to consider the same and come to a conclusion as to whether they are adequate and sufficient enough to establish and prove the case of honest concurrent use.

39. In that regard, what the Board has found and rightly is that the materials placed by the Petitioner are not such as would establish and prove its assertion of honest concurrent use. The Board has referred to the facts and pointed out as to how the Applicant before it, namely, Respondent No.3 before us, was in identical business and even its annual turnover has increased. It also claims to be established by one Mr. Ram Kohli, who was considered as the Goodwill Ambassador in the field of Tourism. How he has created new markets in United States, Germany and other European countries for India as a destination is referred to. He promoted the first charters from America in 1972 and after returning to India, founded the Respondent No.3-Company, which is styled as

"Creative Travel", which offers tours and travel services. That was founded in 1977. Thereafter its achievements are noted and it is clearly the case of Respondent No.3, the Applicant before the Board, that it is a registered proprietor of the trade mark "Creative Travel". The registrations are valid and subsisting. It is in the month of May 2006, that it came to know that Respondent No.1 before the Board, namely, the Petitioner before us, has adopted the trade name "Creative Tours and Travels (India) Private Limited" and is using the same in relation to tours and travels business. The application before Respondent No.1 does not suppress the pendency of the suit and rejection of the interim relief application therein. Thereafter, the Applicant (Respondent No.3) proceeds to challenge the registration and submits that the impugned trade mark is registered without sufficient cause and is wrongly remaining in the register and ought to be removed. The various provisions of the Trade Marks Act, 1999 are relied upon. Thereafter the grounds of removal are set out, as referred to in Para 8 of the impugned Judgment and Order. The rectification of the trade mark "CREATIVE" was sought.

40. In answer thereto, it is the Petitioner's case that it is in identical business from 1979. Firstly, it was Sole Proprietor and later on as a Private Limited Company. It also relied upon somewhat identical achievements and awards. It also relied upon the membership of the International Organization. It also relied upon the turnover for the year 2005-2006 and claiming registration of a trade mark in Class-39. It has claimed that it has a distinct colour scheme and style.

41. It also seeks to rely upon the honest concurrent use from 1979 and without any interruption. Thus, the Suit in the High Court at Delhi apart, the proceedings before the IPAB were contested by the Petitioner before us on essentially this case. The Petitioner also relied upon numerous documents.

42. In para 27 of the impugned Judgment, the Board refers to a letter dated 2nd July 1997 produced by Respondent No.3 before it containing a suggestion by the Registrar of Companies to the Petitioner before us that some other name be adopted, as "CREATIVE" was not available now and it was already used by some other Company. Yet, the Petitioner applied and wished to use the same name. The Board then referred to the specific argument of the Applicant before it / Respondent No.3 before us, that it has been using the mark and name since 1977. After noting all the contentions and the Judgments relied upon, what is specifically noted is the argument by the Petitioner that provisions of Section 12 of the Trade Marks Act, 1999 are not applicable, as the adoption is honest. After hearing both the parties, the Board reserved its orders, but, later on, certain documents were filed. Those were public documents, including some of the communications from the Registrar of Companies. It, therefore, permitted the Applicant (Respondent No.3) before it to file the documents along with an application styled as Miscellaneous Petition No.233 of 2012. It also gave opportunity to the Petitioner to file its documents and, equally, reply and rejoinder to the Miscellaneous Petition. The Miscellaneous Petition was heard and

thereafter the Board, in the interest of justice, granted opportunity to produce the documents. All these documents are, thus, referred to by the Board, from Para 48. It then proceeded to consider the rival contentions. We are in agreement with Mr. Rao that, as far as the locus standi of the Applicant / Respondent No.3 before us, it has not been disputed. What is then material and relevant to note is the evidence that the Petitioner before us produces to support its version of honest concurrent use. The burden to prove that version was entirely upon the Petitioner. The burden to prove the assertion of honest concurrent use, in the opinion of the Board, has not been discharged by the Petitioner. The Board firstly refers to the e-mail demanding payment. That, according to the Board, is one of the supporting materials. That would indicate that both marks remaining on the register is likely to cause confusion. Then it relies upon a communication by the Registrar of Companies dated 2nd July 1997 addressed to the Petitioner before us. If the Registrar brought to the notice of the Petitioner that there was already another Company functional and in the name of Respondent No.3, then, he advised the Petitioner to choose some other name. The Petitioner has ignored that aspect. Apart therefrom, it asserted before the Board independently that it is using the trade mark since 12th August 1997. That was definitely a much later date in point of time. Before us what has been asserted is the usage is from 1979. That is admittedly not by the Petitioner and the registered Entity that it is now, namely, under a distinct Statute, the Indian Companies Act, 1956. The uninterrupted user is claimed and on the basis of the Sole Proprietor's registration. However, we are concerned in this case with the two companies and it is the Company's version, which would have to be gone into and dealt with by the Board. The Board found that the Assessment Orders, Income Tax Returns, advertisement, awards etc. would not indicate that prior to 1997 or the registration, there was any user or from the registration, the use is stated to have commenced. That is, according to the Petitioner, also referable to first Assessment Order-1998. However, that is not in the name of the Petitioner-Company but an individual. The explanation now given for the same is that, there was no occasion for the Petitioner-Company to file Income Tax Returns in its name and as a company prior to its incorporation and registration. We are, therefore, of the clear view that this argument is an afterthought. The Petitioner went before the Board and relied upon its honest concurrent use as a Private Limited Company. When it produces the requisite materials, those are of 1998 and onwards. There is no evidence of the year 1997, much less from 1979. It is in these circumstances that the Board finds that there is no substance in the contentions raised on behalf of the Petitioner. The Board summarizes this conclusion possibly in one or two paragraphs. However, we do not find that the same is perverse or vitiated by non-application of mind, as criticized by Dr. Saraf. Thus, when there is no consistency in the version of the Petitioner and it has changed from time to time, then, this criticism is not warranted.

43. In the present case, when the two Entities are Corporate Entities, namely, Companies and registered under the Indian Companies Act, 1956, then, it was

for the Petitioner-Company to have established and proved its honest concurrent use. That is not established and proved, as is demanded in law. In such circumstances, we do not think that the Board committed any error in allowing the application filed by Respondent No.3 and expunging the trade mark from the register. The Board, thus, summarizes its conclusions and rightly in Para No.59. It has also concluded, on the basis of all the materials produced and order of assessment, that Respondent No.3 is prior user and that the Petitioner before us has not satisfied the Board as to the use, as claimed in the application for registration. The Board was, therefore, justified in issuing its ultimate direction of expunging of the mark from the register. The Board found that the figures of turnover would not establish and prove the Petitioner's assertion of honest concurrent use since 1979.

44. These figures and the success at the interim stage in the Suit before High Court of Delhi are not enough to prove the above plea. Something more was required to prove honesty and concurrent user. That was not brought on record by the Petitioner. Such a conclusion is neither perverse nor vitiated by any error of law apparent on the face of the record.

45. However, in the circumstances of the case and particularly because of the Board's own direction, it was not justified in imposing costs of Rs.10,000/- to be paid by the Petitioner. We set aside that part of the order passed by the Board.

46. As a result of the above discussion, we do not find any merit in the Writ Petition and the same is dismissed.

47. We find that even a reference to the Judgment and Order of a learned Single Judge of this Court in the case of Kores (India) Limited (Supra) does not carry the matter further for the Petitioner. It is clear from paragraph (10) of the Single Judge's Judgment, which was relied upon by Dr. Saraf, that following the Supreme Court Judgment in London Rubber Co. Ltd. (Supra), the learned Single Judge observed that,

"A mark, which comes within the scope of Section 12(3) is not dis-entitled to protection in a Court by reason of its being similar to another trade mark, whether registered or unregistered."

48. What has been relied upon by Dr. Saraf before us are the principles, which emerge from the decision of the Hon'ble Supreme Court and that of the English Courts dealing with the para-materia provisions. There is no dispute about these principles, but the application of the legal principles would depend upon the facts and circumstances of each case. It is, therefore, clear that the principles emerging from these decisions have been correctly understood by the Board in the impugned order, but it found that the Petitioner's case does not fall therein. This conclusion as well cannot be termed as perverse. Therefore, the Board's order, impugned in the present Petition, is not vitiated by any error of law apparent on the face of the record. Rule is, therefore, discharged in this Petition. There shall be no order as to costs.

49. At this stage, Dr. Saraf appearing for the Petitioner, prays that there is an ad-interim order passed in this Writ Petition on 25th February 2013, directing that the Trade Mark Registry shall not act on the impugned order. He seeks continuation of that order for a period of twelve weeks to enable the Petitioner to approach the Supreme Court of India.

50. His request is opposed by the learned counsel appearing for Respondent No.3. He would submit that, once this Court has held, on merits, against the Petitioner, there is no necessity to continue this protection.

51. We have heard learned counsel on this point and we find that since the order passed on 25th February 2013 has continued till date and at the stage of confirmation thereof, with the consent of both sides and to avoid multiplicity of arguments, we have heard the Petition finally and disposed it of, fairness and justice demands that we continue this order. We continue it for a period of ten weeks from today; however, it would be without prejudice to the rights and contentions of both sides.