

**(2010) 01 IPAB CK 0021**

**In the Intellectual Property Appellate Board**

**Case No : OA/23/04/TM/AMD**

Mahender Kaur, Trading As Maja Cosmetics

APPELLANT

Vs

Shanti Kumar Rati Lal

RESPONDENT

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**Date of Decision :** 07-01-2010

**Acts Referred:**

Trade Marks Act, 1999 — Section 9, 11(a), 18, 18(1), 18(4)

**Citation :** (2010) 01 IPAB CK 0021

**Hon'ble Judges :** S. Usha, J; Syed Obaidur Rahaman, Technical Member

**Bench :** Division Bench

**Final Decision :** Allowed

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## **Judgement**

S. Usha, J

1. Appeal arising out of the order dated 06.02.2004 passed by the Assistant Registrar of Trade Marks dismissing the opposition No. AMD 544 and

allowing the registration of application No. 445245 in class 3 under the provisions of Trade Marks Act, 1999 (hereinafter referred to as the Act).

2. The brief facts of the case are -Shri Shantikumar Ratilal trading as M/s Shashi Industries filed an application for registration of the trade mark -a

carton consisting of the word 'MAJA' with a device of woman, device of curtain and small bust of a man with the colour combination of black, red,

yellow, light blue and white all placed in an artistic manner under application No. 445245 in respect of agarbatties included in class 3, claiming user

since 1985. The said application was ordered to be advertised before acceptance in Trade Marks Journal No. 1040 dated 01.11.1992 at page 708.

3. Smt. Mahender Kaur trading as M/s Maja Cosmetics, the Appellant herein filed a notice of opposition opposing the above said registration on the

ground that the registration would be in contravention of the provisions of the Act. On completion of the formal procedures, the matter was heard on

28.12.1994 and orders were reserved. Pending pronouncement of orders, the first Respondent herein filed two Form TM-16 - an application seeking

to amend the name of Shri Shantikumar Ratilal to Shri Shashi Kant Rati Lal dated 24.01.1995 and 18.02.1995 respectively. The Assistant Registrar

passed an order allowing the opposition No. AMD 544 and refusing the application for registration under No. 445245, without considering the

application for amendment on Form TM-16 as they were filed after the matter was heard and orders were reserved. The first Respondent filed an

appeal No. 9 of 1995 before the Hon'ble High Court of Gujarat. The Hon'ble High Court passed an order allowing the appeal setting aside the order of

the Registrar remanding the matter to the Registrar with a direction to allow the parties to lead proper evidence to substantiate their say and take

appropriate decision afresh in accordance with law.

4. On 26.07.2002 a show cause notice was issued by the second Respondent on an application in Form TM-16 dated 14.12.2000 filed by first

Respondent. The application in Form TM-16 was for amending the application in the name of Shashikant Ratilal Vadhar and Tushar Shashikant

Vadhar as partners in place of Shashikant Ratilal Vadhar trading as M/s Shashi Industries. Along with the application for amendment a copy of deed

of partnership was enclosed. Notice in the said application was issued to the Appellant herein. The Appellant in turn wrote to the Trade Marks

Registry requesting for the copy of the partnership deed for which there was no reply from the Registrar of Trade Marks. To the shock and surprise

of the Appellant's counsel, they received a notice for the hearing of the application on Form TM-16 by fax on 04.08.2003 for the hearing on

15.08.2003. The counsel immediately called the office of the Registrar to clarify the date as 15.08.2003 was a national holiday on account of

Independence Day and came to know that the hearing was fixed for 05.08.2003 and not 15.08.2003. The counsel for the Appellant strongly objected

to this and the matter was fixed for hearing on 04.09.2003. During the course of hearing, the Appellant had objected to the application on Form TM -

16 as no evidence in support of the same was filed as per the directions of the High Court in appeal on remand. The first Respondent herein had sent

a letter dated 06.09.2003 along with documents to the Registrar of Trade Marks after the orders were reserved on 04.09.2003. A copy of the letter was marked to the Appellant and the Appellant objected to the letter dated 06.09.2003 as the orders were reserved and the Registrar who heard the matter had become factious ex-officio and could not entertain any letter. The Registrar passed the impugned order with an observation that the word MAJA is a distinctive word and has no direct reference to the character and quality of the goods and the objection under Section 9 of the Act was rejected. The opponent (Appellant herein) had failed to establish their reputation of the trade mark within the jurisdiction and failed to discharge the onus cast upon them and therefore, the objection under Section 11(a) of the Act was rejected. The applicants (first Respondent herein) have honestly adopted and continuously used the impugned trade mark since 1965 for aggravates, whereas the Appellants have not manufactured aggravates, the registrar had rejected the objections of the Appellant and dismissed the opposition using the discretionary powers under Section 18(4) of the Act. The Registrar had also observed that the documents i.e. the income tax certificate, sales tax certificate etc., showed that Shashikant Ratilal was proprietor of Shashi Industries and had allowed the application in Form TM-16 for amendment. In the result the opposition was dismissed and the application allowed to proceed to registration.

5. Aggrieved by the said order, the Appellant is before us on appeal. The grounds of appeal are hereunder:

- a) The impugned order is contrary to law and is against the basic principles of natural justice.
- b) The procedure adopted by the Registrar in allowing Form TM 16 dated 24.01.1995 and 08.02.1995 without issuing notice of hearing is in violation of the principles of natural justice.
- c) The Registrar erred in allowing the request on Form TM 16 dated 14.12.2000 on the basis of documents filed after hearing of the matter.
- d) The Registrar fell into an error of law as well as facts while passing the impugned order.
- e) The Registrar erred in giving findings on the basis of the documents which were not forming part of the records.
- f) The impugned order is contrary to the provisions of Trade Marks Act and the

Rules framed hereunder as no opportunity to deal with the evidence was given to the Appellant..

g) The Registrar erred in not appreciating the fact that the goods cosmetics, perfumes and aggravate are goods of the same description and have common trade channel.

h) The Registrar failed to take into consideration the various judgments cited and relied upon by the Appellant in support of their case.

i) The Registrar erred in considering the judgment of the Hon'ble Supreme Court in Vishnudas V. Vazir Sultan Tobacco Co. Hyderabad AIR 1996 SC

2275 which was not applicable to the case on hand.

j) The Registrar failed to consider the fact that the classification of goods was not the criteria to decide the question of confusion and deception under the law.

k) The Registrar erred in not appreciating that the goods in respect of which the registration was sought by the Respondent were same of the Appellant.

l) The Registrar failed to appreciate that the burden of proof that the use of the impugned trade mark was not likely to cause confusion or deception was on the Respondent and was not discharged by the Respondent.

m) The Registrar did not appreciate the fact that the reputation of the Appellant's trade mark was not restricted to cosmetics but was extended to goods of same description as well as the goods as are cognate and allied in nature.

n) The Registrar having held that the Appellant was prior in use and adoption erred in granting registration.

o) The Registrar failed to appreciate the law of comparison of label marks while passing the order.

p) The Registrar failed to take into account the fact that no clear claim to the proprietorship of the mark under Section 18 of the Act was established by the Respondent.

q) The Registrar erred in considering various judgments which were not applicable to the case on hand.

r) The Registrar erred in holding that the Appellant was not engaged in the manufacture of aggravates.

s) In view of the above the impugned order be set aside.

6. The first Respondent herein filed their counter-statement denying the various allegations made in the grounds of appeal. The first Respondent

further stated the evidence relied upon by them were already served on the Appellant. The Registrar has correctly decided the opposition and the

impugned order is legally valid. The rest of the grounds were denied by the first Respondent.

7. The Appellant herein filed their reply to the counter statement denying the averments made in the counter statement.

8. We have heard the counsel on both sides after completion of the pleadings on 1.12.2009 in the Circuit Bench Sitting at Ahmedabad. Learned

Counsel Shri Amarjit Singh appeared on behalf of the Appellant and learned Counsel Ms. Rushvi N. Shah appeared on behalf of first Respondent.

9. The learned Counsel for the Appellant submitted the entire facts of the case. The counsel submitted that the notice in the first two applications in

Form TM -16 were not served nor a hearing fixed but orders were passed allowing the application. In the third application in Form TM -16 notice was

served but no documents were served on the Appellant to counter the same. The Registrar had considered the documents referred to in the letter

after orders were reserved and has discussed the same in the order which were not there before the Registrar. After the matter was remanded by the

High Court, a notice in application on Form TM -16 dated 14.12.2000 was served on the Appellant where though a deed of partnership was relied on

but not served on the Appellant. The main contention of the first Respondent was that the evidence filed before the High Court had to be considered

which was denied by the Appellant as those evidence were not before the Registrar at the time of hearing and when orders were reserved. As far as

the two applications on Form TM -16 were concerned, no notice was served nor hearing held. In the third application on Form TM 16 notice was

served and hearing held, in spite of several requests made no evidence produced.

10. The counsel further pointed out that the first Respondent was the subsequent user of the trade mark. The trade mark 'MAJA' was the Appellant's

corporate name. The counsel also pointed out to the various contra observations of the Registrar in the impugned order. The counsel for the Appellant

relied on a number of judgments in support of his case. The documents filed

after the orders were served cannot be considered was also the main contention of the Appellant and he relied on some judgments in support of this contention.

11. While countering to the Appellant's submission, learned Counsel for the first Respondent brought to our notice the order passed by the High Court and submitted that the party should not be made to suffer for the mistake of the counsel. The counsel further submitted that the Hon'ble High Court remanded the matter back for the reason that the litigant should not be made to suffer for the mistake of the counsel and that the evidence to be taken on record and after due consideration the matter to be decided accordingly.

12. The counsel also submitted that the trade channels are totally different and hence there will be no confusion among the public. The Appellant though claims to be the prior user has not produced any document in support of his claim. Considering that the trade channels were different, the Registrar correctly passed the impugned order.

13. In reply, learned Counsel for the appellant submitted that the application has been filed by a non-existing person and for that reason alone, the application should be refused registration. In reply to the contention that no evidence was filed for proving earlier use, the counsel relied on the finding of the Registrar in the impugned order at page 68 (internal page 4 - para 3 - line7) "" In order to claim prior user of the mark the opponents have filed affidavit of Bhupinder Singh, sole proprietor of Maja Cosmetics along with exhibit 'A'. All the evidences filed by the opponents revealed that the impugned trade mark using in respect of 'Cosmetics and perfumes including vanishing cream, complexion cream, liquid foundation, perfume

14. We have heard both the counsel and have also perused the pleadings and documents placed before us.

15. The main issue that arises for consideration is whether the impugned order has been passed in accordance with orders of the High Court of Gujarat taking into consideration the documents filed by the applicant i.e. the first respondent herein. We find some force in the arguments of the appellant that the application has been filed by a non existing person. The Hon'ble High Court had in fact on remand passed an order directing the Registrar to take on record the evidence filed by the parties to consider the matter and the application on Form TM -16 dated 24.01.1995 and

18.02.1995, whereas the Registrar had passed the impugned order on merits of the main matter and also considered the application on Form TM -16

to amend the constitution of the firm which was not before the Registrar at the time of the order being passed by the Hon'ble High Court. The

Registrar has also not dealt with the first and second application on Form TM - 16 in the impugned order and has passed an order allowing the

applications with no finding. We also see that no notice in these applications have been sent to the appellant nor has there been a hearing held for

deciding those applications except for a statement, ""in view of the above findings TM-16 dated 24.01.1995 and 8.2.1995 are allowed and the name of

the applicant amended to read as Shashikant Ratilal proprietor of M/s Shashi Industries.

16. The Hon'ble High Court observed that ""from the documents of income tax, sales tax certificate etc., prima facie it appears that Shashikant Ratilal

is the proprietor of M/s Shashi Industries; however, no final opinion can be expressed about the same. In my opinion, the appellant can produce

documents attached with this appeal and such other necessary materials to substantiate his say that Shri Shashikant and not Shanthikumar is the sole

proprietor of M/s Shashi Industries"". The Registrar had not considered and followed the observations of the Hon'ble High Court and had passed an

order allowing the application. It is also the case of the first respondent that ""the documents were produced before the Registrar at the time of making

the application for registration and in opposition proceedings in the Trade Marks Registry and also in appeal before the Hon'ble High Court of Gujarat

and copy was duly served to the present appellant and the second respondent, Trade Marks Registry, which is part of the record of present

proceedings"" In our opinion this statement cannot be correct one. The application for amendment on Form TM-16 was filed only after the orders were

reserved for which no notice were served on the appellant herein. It has also been recorded by the Registrar in the first order dated 13.3.1995 - ""The

learned Counsel for the applicants afterwards made request on Form TM-16 after the matter was finally heard, vide his request on TM-16 dated 24th

January, 1995 and again on 18th February, 1995. In both these requests the learned Counsel for the applicant have requested to amend the name of

applicant as Shashikant Ratilal in place of Shantikumar Ratilal without any acceptable proof in favor of the amendment sought therein. Since the

matter has already been heard finally this is not the stage when the tribunal can restart the proceedings. However, it is note worthy even if the amendment sought later on in the application for registration be allowed, as desired in the aforesaid request on Form TM-16, it again complicates the issue when the counter-statement remains in the name of Shri Shantikumar Ratilal and the application becomes in the name of Shashikant. In that statement had been filed by the person other than the applicant and under that circumstance the applications shall have to be deemed to have been abandoned under section 21(2) of the Act due to invalid counter-statement which cannot be treated, in the eyes of the law, as a counter-statement filed by the person i.e., the applicant. The upshot therefore is that from all angles there remains a doubt on the proprietorship of the mark applied for and as such I am of the opinion that this Tribunal should not allow the application for registration with doubtful claim of the proprietorship of the mark applied for. Such application has to be treated as invalid application in terms of the provisions of section 18(1) of the Act. To my mind this is the fittest situation where the Registrar should refuse the application for registration of the mark applied for in exercise of his discretionary power contained under section 18(4) of the Act." When that be the case, the directions of the Hon'ble High Court was to serve the documents which were not with the Registrar prior to the pronouncement of order dated 13.03.1995 have not been complied with.

17. In the impugned order under appeal before us the Registrar had dealt with the new application which was not before the High Court. We are also of the view that the application for registration was filed on 06.11.1985 and the mark was advertised in the Trade Mark Journal on 01.11.1992. The mark was opposed for registration and the notice of opposition was filed on 14.02.1992 and the counter statement was filed on 04.05.1993 by Shantikumar Ratilal as proprietor of M/s Shashi Industries. The affidavit of evidence in support of application has now been filed by Shashikant S/o Ratilal Vadhar as proprietor of M/s Shashi Industries in the year 1994. The Appellant herein had raised this issue as to the change in the name in the application and the affidavit of evidence which was never clarified by the Respondent, instead made an attempt to rectify the same after the matter was heard and orders reserved. The reason was that the change was because of the mistake (typographical error) of the counsel. Even assuming that



to be correct, we do not understand how that application can be allowed without giving an opportunity to the Appellant to represent his case. The directions of the Hon'ble High Court have not been complied with. The contention of the first Respondent was that they are a partnership firm and brought to our notice the certificate of Registration of firm wherein it bears date as of the year 1994., if that be the case, there is no proof as to how the applicant (first Respondent herein) as a partnership firm acquired the proprietary right to the trade mark from the so called Shashikanth the sole proprietor. If there was a change as to the constitution from proprietary concern to partnership concern in the year 1994 then why this was not brought to the notice of the Registrar at the time of hearing the matter or to the notice of the High Court in the appeal. This itself creates a doubt in our mind.

18. In view of the above, we are of the opinion that the Registrar has gone beyond the directions of the Hon'ble High court. The directions were to decide the application on Form TM-16 for amending the name of the applicant as the mistake has crept in due to the mistake of the counsel and it was that the party should not be made to suffer for the mistake committed by the counsel. The Registrar has not dealt with that application i.e. has not heard that application instead gone ahead with another application and passed orders allowing the application. Even without going into the merits of the case, we think it is a fit case for allowing the appeal. The first Respondent, in our opinion, has not come to court with clean hands as in one application he seeks for amending the name and in another he seeks for amending the constitution when that was not pleaded before the High Court.

19. We, therefore, allow the appeal and set aside the order of the Registrar dated 06.02.2004 allowing the application No. 445245 in class 3 for registration. However, there shall be no order as to costs.