

## Cadila Healthcare Ltd., Ahmedabad Vs Union of India and Others

**Court:** Gujarat High Court

**Date of Decision:** May 6, 1998

**Acts Referred:** Trade and Merchandise Marks Act, 1958 " Section 101, 12, 12(1), 21  
Trade and Merchandise Marks Rules, 1959 " Rule 53(1), 53(2)

**Citation:** AIR 1999 Guj 40

**Hon'ble Judges:** M.R. Calla, J

**Bench:** Single Bench

**Advocate:** R.R. Shah, for the Appellant; Y.J. Trivedi, for the Respondent

### Judgement

@JUDGMENTTAG-ORDER

1. The petitioner herein claims to be a Company registered under the Companies Act, engaged in the business of manufacturing and marketing

pharmaceuticals and medicinal preparations since 1995. The petitioner company claims to be working in the name and style of M/s. Cadila

Healthcare Ltd. The petitioner has come with the case that an application for registration under No. 488075 was made by the petitioner"s

predecessor in-title of the mark of M/s. Cadila Laboratories Ltd., Ghodasar, Ahmedabad. This M/s. Cadila Laboratories Ltd. was amalgamated

with the petitioner Company in terms of the order passed by this Court on 2-5-1997 and the petitioner now claims to be the proprietor of the

Trade Mark in the aforesaid application for registration. The petitioner alleges that the respondent No. 3 Company namely, M/s. Wockhardt Ltd.

gave a notice of intention to oppose the registration of the Trade Mark ""CONAZOLE"" as applied for by the petitioner"s predecessor-in-title of the

Trade Mark application No. 488075 in Class-5 in respect of pharmaceuticals and medicinal preparations in the office of the Trade Marks

Registry, at Ahmedabad, on 26th December 1995. The said notice of opposition was taken on record by intimating the respondent No. 3 and the

petitioner by registered letter dated 26th December 1995. The Registry served a copy of the notice of opposition to the petitioner under intimation

to respondent No. 3 vide letter dated 6th November 1996. The petitioner filed the counter statement in the Registry on 13th December 1996 and

the Registry served a copy of the said counter statement on respondent No. 3 vide its letter dated 7th January 1997. Thereupon the respondent

No. 3 vide their Attorney's letter dated 23-3-1997 forwarded a request on Form No. TM-56 for extension of time upto 7th April 1997 which

was granted by the Registry vide its letter dated 5th May 1997 and ultimately the respondent No. 3 vide their Attorney's letter dated 30th April

1997, forwarded the documentary evidence in support of the opposition under Rule 53 (1) of the Trade and Merchandise Marks Rules, 1959 and

the same was taken on record as evidence under Rule 53 (1) of the Rules. Accordingly, the attention of the petitioner was invited to Rule 54 of the

said Rules to file their documentary evidence, if any, in support of the application vide Registry's letter dated 9th May 1997 and the petitioner is

yet to file the evidence under Rule 54 of the Rules. It is further the case of the petitioner Company that during this time, it filed a letter dated 29th

March 1997 pointing out the provisions of Rule 53 (2) of the Trade and Merchandise Marks Rules, 1959 and it has been alleged that the

respondent No. 2 did not process the said letter dated 29th March 1997 and therefore, the interlocutory petition dated 29th May 1997 was filed

and the same was rejected vide decision dated 8th October 1997. In the interlocutory petition, the petitioner prayed that the interlocutory petition

be allowed and the subject opposition be treated as abandoned under Rule 53 (2) of the Rules. The petitioner is aggrieved against the aforesaid

decision dated 8th October 1997 annexed with the petition as Exh. ""B"" and has sought that the same may be quashed and set aside and a direction

has been sought against the respondents to treat the opposition proceedings bearing No. AMD-1042 to the petitioner's application No. 488075 in

Class-5 as abandoned.

2. With the averments and prayer as aforesaid, the present Special Civil Application had been filed by the petitioner Company before this Court on

20th November 1997. On 21st November 1997, the notice returnable for the date of 16th January 1998 was issued by this Court and further

proceedings of the opposition application were stayed till then. The respondent No. 3 filed an affidavit-in-reply dated 4th February 1998 traversing

the case of the petitioner stating therein that the respondent No. 3 had applied for registration of the Trade Mark ""CONAZ"" under No. 481461 on

23rd November 1987 and 497076 on 1-9-1988 in Class-5 in respect of pharmaceuticals, medicinal and veterinary preparations, all being goods

falling in Class-5 and the same was advertised in Journal No. 1024 on page No. 1344 and in Journal No. 1076 on page No. 14 respectively; the

registration of the Trade Mark ""CONAZ"" has been duly renewed and is valid and subsisting. In view of the registration of the said Trade Mark,

the statutory rights are vested exclusively in respondent No. 3. It has been stated that the respondent No. 3 came to know that the petitioner

intended to use the deceptively similar Trade Mark only when an advertisement of the said Mark appeared in the Trade Marks Journal No. 1112

dated 1st October 1995 at page 1949 and therefore, this Trade Mark ""CONAZOLE"" was prepared to be used by the petitioner and therefore,

the respondent No. 3 immediately initiated the opposition proceedings against the petitioner opposing the registration of the Mark ""CONAZOLE"".

It has also been then stated that the respondent No. 3 received the petitioner's counter statement on 10th January 1997 and the respondent No. 3

was entitled to file its evidence in support of the opposition within two months of the receipt of the counter statement pursuant to Rule 53 of the

Trade and Merchandise Marks Rules, 1959 and therefore, the evidence could be filed on or before 11th March 1997, but the case of the

respondent No. 3 is that its official handling the Trade Mark matters was on leave and hence there was a delay in filing the evidence in support of

the application of the opposition and an application in the appropriate form for extension of time for filing the evidence was filed in the Trade

Marks Registry, at Ahmedabad, on 21st March 1997 and in fact the affidavit in support of the opposition was forwarded to the Trade Marks

Registry, at Ahmedabad by the respondent No. 3 vide its letter dated 30th April 1997. The Registry, vide its letter dated 9th May 1997

acknowledged the receipt of the evidence filed and confirmed having taken the said evidence of respondent No. 3 on record. A copy of this letter

dated 9th May 1997 has been placed on record as Exh. ""A"" with this affidavit-in-reply dated 4th February 1998. It is also the case of the

respondent No. 3 that the Registry vide its letter dated 9th May 1997 also informed the petitioner that the evidence of the respondent No. 3 in

support of the opposition had been taken on record and the petitioner was called upon to file its evidence in support of the application. The

respondent No. 3 has then stated that the petitioner with a view to frustrate the opposition proceedings, filed the interlocutory petition on 26th May

1997 contending that the respondent No. 3's opposition be treated as abandoned as evidence was not adduced within the period of two months

and in response to this interlocutory petition, the respondent No. 3 filed its reply and placed reliance on the decisions of the Delhi High Court and

Bombay High Court wherein according to the respondent No. 3, it was held that the provisions of Rule 53 (2) dealing with the evidence were

directory and not mandatory. It is then stated by the respondent No. 3 that the Tribunal by its letter dated 20th August 1997, addressed to the

parties, fixed the hearing in respect of the interlocutory petition on 29th September 1997 and after hearing as aforesaid, the respondent No. 2

passed an order rejecting the contention of the petitioner and dismissed the interlocutory petition and directed the petitioner to file the evidence

under Rule 54 of the Trade and Merchandise Marks Rules. On behalf of the petitioner Company, a rejoinder affidavit dated 13th February 1998

has been filed. During the course of arguments, while making reference to the Trade Marks Journal, it was pointed out that the pharmaceutical

preparation, "CONAZ" was advertised before acceptance u/s 20(1)(Proviso), at item No. 481, 461 November 23, 1987 - WOCHARDT LTD.,

Poonam Chambers, Dr. A. B. Road, Worli, Bombay 400 038 and again at item No. 497, 076 - September 1, 1988 and, "CONAZOLE" at item

No. 488075 - March 28, 1988 in Trade Marks Journal No. 1112 - October 1, 1995.

3. With the pleadings available on record as aforesaid when the matter came up before the Court on 6th May 1998, no one appeared on behalf of

the petitioner and on that date, the Court (Coram : S. K. Keshote, J.) after hearing the learned Counsel for respondent No. 3, dismissed the

Special Civil Application by a detailed order and vacated the ad-interim relief which was operative so far. Against this judgment and order dated

6th May 1998 whereby the Special Civil Application had been dismissed, the petitioner preferred Letters Patent Appeal No. 786 of 1998 and

after hearing both the sides, the Division Bench set aside the order passed by the learned Single Judge and allowed the appeal and directed that the

matter will go back to the learned Single Judge and the learned Single Judge will decide the same in accordance with law on its merits. The

reasons and the grounds on which the Letters Patent Appeal was allowed may be seen from the following parts of the Division Bench's order

dated 9th September 1998 which are reproduced as under :

Having heard the learned Counsel for the parties, we are of the opinion that the appeal deserves to be allowed. The learned Single Judge has held

that the petition was not maintainable. It is, no doubt, true, as submitted by Mr. Sahani that at various places observations have been made by the

learned Single Judge considering the merits of the matter as also the scheme of the Trade and Merchandise Marks Act, 1958 and the Trade and

Merchandise Marks Rules, 1959 and in the light of the facts and circumstances, the learned Single Judge observed that in such cases, ordinarily, a

party should not invoke Art. 226 of the Constitution of India and the Court may not interfere if such petitions are filed. At the same time, however,

it cannot be gainsaid that the learned Single Judge has held the petition to be not maintainable. To that extent, in our opinion, the learned single

Judge was not right.

In our judgment, there is a clear distinction between non-tenability and nonentertainability of a petition by the Court in exercise of the powers under

Art. 226 and/or 227 of the Constitution of India. The former relates to maintainability and goes to the root of the jurisdiction of the Court and a

party is prevented at the threshold stating that he cannot enter the doors of the Court. The latter relates to discretion of the Court to exercise

extraordinary jurisdiction in favour of a party. When the respondent contends that the Court may not entertain the petition, he concedes to the

jurisdiction of the Court to entertain a petition. The Court is also satisfied that it has power to entertain the petition. A Court may, however, refuse

to entertain a petition when it is of the view that though it has a power to entertain such petition and also to grant relief, on the facts and in the

circumstances of the case, it is not inclined to grant such relief in favour of the petitioner.

In our opinion, in the instant case, it cannot be said that the petition was not maintainable. To that extent, therefore, the order passed by the learned

Single Judge suffers from legal infirmity and cannot be upheld.

Mr. Sahani, drew our attention that looking to various paragraphs, it is clear that even on merits, the learned Single Judge has found substance in

the contentions raised on behalf of respondent No. 3. We express no opinion on that question as according to us, when the petition is maintainable,

it has to be decided considering the facts and circumstances and the merits of the matter. Only on that ground the appeal deserves to be allowed.

4. This is how the matter came up before this Court. While assailing the impugned order dated 8th October 1997, Mr. R. R. Shah, learned

Counsel for the petitioner has laid great stress on Rules 53 (1) and 53 (2) of the Trade and Merchandise Marks Rules, 1959. He has submitted

that once the time limit of two months prescribed under Rule 53 (1) had expired, the claim of the opposition by respondent No. 3 should have

been treated to be abandoned and the concerned authority should have straightway proceeded to exercise the statutory obligations cast upon him

under Rule 53 (2) of the Rules so as to treat the opposition as abandoned and after the expiry of this period of two months, there is no question

either of extending the time or of giving any opportunity to the respondent No. 3 to file any evidence and any evidence which was filed by the

respondent No. 3 after the expiry of two months should not have been entertained and taken on record and the consequences should have been

made to flow in favour of the petitioner and therefore, the interlocutory petition which had been filed by the petitioner should have been allowed

instead of being rejected and therefore, the impugned order dated 8th October 1997 as had been passed by the Assistant Registrar, cannot be

sustained in the eye of law and the same deserves to be quashed and set aside. Mr. Shah has submitted that apart from the plain language of Ruler,

53 (1) and 53 (2) showing that the provisions of Rule 53 (2) are mandatory in nature and that his submission is also fortified by the decisions of the

Delhi High Court in the cases of (1) M/s. V.I.P. Industries Ltd. Bombay v. Registrar of Trade Marks, New Delhi reported in 1995-PTC 86 : and

(2) Hindustan Embroidery Mills Pvt. Ltd. v. Hemla Embroidery Mills Pvt. Ltd., reported in 1978 (3) IPLR 148. Mr. Shah has also placed reliance

on an unreported decision of this Court rendered by a Division Bench in Letters Patent Appeal No. 638 of 1998 in Special Civil Application No.

8914 of 1997. As against it, it has been submitted on behalf of the respondent No. 3 that merely because the two months period had expired, it

cannot be said that on an application moved by the respondent No. 3, the concerned authority could not have extended the time further so as to

take the evidence filed by it on record and in such cases, the failure to file the evidence in opposition within a period of two months cannot result

into an abandonment straightway, more particularly when the application moved for extension of time had been entertained and the evidence led by

the respondent No. 3 had been taken on record and according to the respondent No. 3, the order dated 8th October 1997 rejecting the

petitioner's interlocutory petition had been rightly passed and Mr. Sahani has referred to the whole scheme of the Act and the relevant Rules with

particular reference to Sections 12(1), 12(3), 21, and 101 of the Trade and Merchandise Marks Act, 1959 and Rules 53, 54 and 106 of the said

Rules. He has submitted that the provisions of Rule 53 are not mandatory in nature and he has referred to and relied upon the following decisions in

support of his arguments and to meet the submissions made by Mr. Shah on behalf of the petitioner Company : (1) Ratan and Co. Vs. P.

Narayanan, ; (2) Kantilal Tulsidas Jobanputra v. Registrar of Trade Marks reported in 1982 PTC 127; (3) Hindustan Playing Cards Mfg. Co. v.

Sharda Paper Box Mfg. Co., reported in 1996 PTC 16; (4) Hindustan Embroidery Mills Pvt. Ltd. v. Hemla Embroidery Mills Pvt. Ltd. reported

in 1978 (3) IPLR 148 decided by Hon"ble Mr. D. K. Kapur, J. and (5) an earlier decision of the Delhi High Court rendered in F.A.O. No. 21 of

1968 on 21st December 1971 by Hon"ble Justice D. K. Kapur in the case of Hemla Embroidery Mills Pvt. Ltd. v. Hindustan Embroidery Pvt.

Ltd.; (6) Hastimal Jain Trading as Oswal Industries v. Registrar of Trade Marks, reported in 1995 (34) DPJ 56 in C.M. (Main) No. 525 of 1994

decided on 4th April 1995 by Justice J. K. Mehra; and (7) Torrent Pharmaceuticals Ltd. v. Union of India, reported in 1998 PTC 18 decided by

a single Bench of this Court (Coram : M. S. Shah, J.) on 7th April 1998.

9th September 1999

5. For the purpose of applying the cases on which the reliance has been placed by both the sides, first of all, the Court has to examine the scheme

of the Act and Rules and the relevant provisions in the context of the preamble of the Act itself. It is found that the Trade and Merchandise Marks

Act, 1958 is essentially an Act to provide for the registration and better protection of the Trade Marks and for the prevention of use of fraudulent

marks on merchandise. To achieve this object, Section 12 provides for the prohibition of Registration of identical or deceptively similar trade marks.

u/s 12(1) it is provided that no trade mark shall be registered in respect of any goods or description of goods which is identical with or deceptively

similar to a trade mark which is already registered in the name of a different proprietor in respect of the same goods or description of goods.

However, u/s 12(3) in 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 trade marks which are identical or nearly resemble each other (whether any such

trade mark is already registered or not) in respect of the same goods or description of goods, subject to such conditions and limitations, if any, as

the Registrar may think fit to impose. Section 21 of the Act provides for opposition to registration and according to the provisions of this Section,

when an application for registration is advertised or re-advertised, any person may, within three months from the date of the advertisement or re-

advertisement of the 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. Under sub-Section (2) of Section 21, the Registrar is required to 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 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. Under sub-Section (3) of Section 21, if the applicant sends such counter statement, the Registrar

shall serve a copy thereof on the person giving notice of opposition. Sub-Section (4) of Section 21 provides for an opportunity to be given by the

Registrar to both the sides and under sub-Section (5) of Section 21, the Registrar has to decide after hearing the parties, if so required, and after

considering the evidence, decide whether a 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. Sub-Section (6) of Section 21 provides that whether a person gives a

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. Now, Section 101 provides for the extension of time and accordingly under

sub-Section (1) of Section 101, 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 condition as he may think fit to impose, extend the time and notify the parties

accordingly. Under sub-Section (2) of Section 101, it is provided that 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.

6. In the Trade and Merchandise Marks Rules, 1959 under the heading, "Opposition to Registration", it has been provided in Rule 52 that the

counter statement required by sub-Section (2) of Section 21 shall be sent in triplicate in Form TM-6 within two months from the receipt by the

applicant of the copy of the notice of opposition and shall set out what facts, if any, alleged in the notice of opposition, are admitted by the

applicant. A copy of the counter statement shall be served by the Registrar on the person giving notice of opposition. Through Rule 53 dealing with

the "evidence in support of opposition", it has been provided in sub-Rule (1) that within two months from the service on him of the 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. Under Rule 53 (2) if the opponent take 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. It has been further provided through

Rule 54 that 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 this 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. Under Chapter VII "Miscellaneous", Rule 106 provides for extension of time and it

has been provided in sub-Rule (1) of Rule 106 that an application for extension of time u/s 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. It has been provided in sub-Rule (2) of Rule 106 that upon an application made under sub-Rule (1) the Registrar, if satisfied that the

circumstances are 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 may he 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.

7. So far as the facts of the present case are concerned, there is no dispute that the petitioner's counter statement was received by the respondent

No. 3 on 10th January 1997 and therefore, the period of two months expired on 11th March 1997 and the application in the appropriate form for

extension of time for filing the evidence was filed by the respondent No. 3 in the Trade Marks Registry, at Ahmedabad on March 21, 1997, i.e.

after the expiry of the period of two months as provided in Rule 53 (1). Section 101 of the Act and Rules 53, 54 and 106 are reproduced as

under :

101. Extension of time. - (1) If the Registrar is satisfied, on application made to him in the prescribed manner and 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 condition 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.

R. 53. Evidence in support of opposition. - (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.

R. 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 this 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.

R. 106. Extension of time. - (1) An application for extension of time u/s 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.

(2) Upon an application made under sub-Rule (1) the Registrar, if satisfied that the circumstances are 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 may he 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.

8. The question, therefore, arises that, in the facts and circumstances of this case, whether it was open for the Registrar to extend the time on the

application made on 21st March 1997, i.e. after the expiry of the period of two months as provided in Rule 53 (1) and as to whether the

opposition stands abandoned with the expiry of the period of two months ?

9. In the case of M/s. VLR Industries Ltd., Bombay v. Registrar of Trade Marks, New Delhi (1995 PTC 86) (supra), the Delhi High Court has

held that, failure to file evidence within the period prescribed under Rule 53 (1) would have the effect of abandoning the opposition and the leading

of the evidence could not be permitted after the expiry of the said period as the application for extension for filing the evidence in support of the

opposition was filed after the statutory period contemplated by Rule 53 (2) had run out. In the facts of that case, the Delhi High Court rejected the

contention that the Trade Marks Registry had called for the evidence of the second respondent under Rule 54 and therefore on that analogy the

evidence could be filed under Rule 55. The case of Hindustan Embroidery Mills Pvt. Ltd. v. Hemla Embroidery Mills Pvt. Ltd. reported in 1978 3

IPLR 148 had also been referred to in this decision. Therefore, in this decision, the Delhi High Court has taken the view that once the period

prescribed under Rule 53 (1) expires, the opposition stands abandoned and there is no question of filing evidence in support of the opposition

thereafter and even if an application for extension of time is moved after the statutory period contemplated under Rule 53 (1) has expired, there is

no question of giving any opportunity to file the evidence thereafter on the basis of such an application seeking extension of time. If this decision is

applied, it would clearly mean that the Registry is not competent to entertain any application for extension of time after the expiry of the period

prescribed under Rule 53 (1) and it lends support to the contention raised by Mr. Shah that even if the Registry has the power to extend the time,

he can do so only if the application seeking extension of time is moved before the expiry of the period of two months and therefore, in the facts of

the present case, the application seeking extension of time ought to have been moved on or before 11th March 1997 and after 11th March 1997

even if the application has been moved for extension of time by the opponent on 21st March 1997, the Registry could not have extended the time

and the Registry ought to have taken that the opposition stood abandoned in terms of Rule 53 (2) and there was no question of calling upon the

applicant to lead evidence in support of his interlocutory petition was wrong. Referring to the decision in the case of Torrent Pharmaceuticals Ltd.

v. Union of India (supra) decided by the Single Bench of this Court on 7th April 1998 and reported in 1998 PTC 18 wherein the Single Bench has

held that the Registrar was competent to grant extensions of time even after the expiry of two months" period. Mr. Shah for the petitioner has

pointed out that this decision was challenged in appeal being Letters Patent Appeal No. 638 of 1998 which was decided on 6th May 1998 by the

Division Bench, and it has been submitted by Mr. Shah that in this case, the Division Bench had rejected the appeal on the basis of the facts

obtaining in that case and the Division Bench had come to the conclusion that as a matter of fact, it was not a case which fell within the mischief of

Rule 53 (2). The Division Bench noted that the counter statement was received by the respondent No. 3 on November 22, 1995 and an

application for extension was made by him on 10th January 1996 and an order was passed thereon, on January 18, 1996 and by this time, the

statutory period of two months was not over. It was on this factual premises that the Division Bench observed that it was open for the Registrar to

extend the time which was done by him and no objection could be taken against such order and on that basis, the order passed by the Registrar

was found to be without any infirmity and it was concluded by the Division Bench that the learned Single Judge had not committed any error in not

interfering with the said order. In sum and substance, Mr. Shah has submitted that the Division Bench did not lay down any authoritative

pronouncement that the Registrar has the power to extend the time even if the two months period prescribed under Rule 53 is over and even if the

application for extension of time is moved thereafter. Thus, the Division Bench did not interfere with the order passed by the Single Bench on 7th

April 1998 and sustained the order passed by the Single Bench on the facts of the case. So far as the proposition of law as was laid down by the

Single Bench dated 7th April 1998 at the Registrar was competent to grant extension of time even if the time had not been extended within Rule 53

(1), the Division Bench had not reversed the same and the Division Bench has rest contended by saying that.

we may however clarify that we may not be understood to have confirmed the interpretation of Rule 53 of the Rules and the observations made

by the learned Single Judge on such interpretation. We may also add that since it was not necessary in the instant case to opine on interpretation of

Rule 53, all observations made by the learned Single Judge will not be treated as final and as and when such question would arise, an appropriate

Court would decide the said question in accordance with law without being inhibited by an order passed and observations made by the learned

Single Judge.

10. Thus, the question as to whether the Registrar is competent to extend the time after the expiry of the period of two months contemplated in

Rule 53 (1) has been left open and the same is required to be considered and decided with reference to the relevant provisions under the Act and

the Rules without taking the judgment of the learned Single Judge dated 7th April 1998 as an authority for that purpose.

11. Coming to the authorities on which reliance has been placed by Mr. Ajay Sahani, learned Counsel for respondent No. 3 it is found that, in the

case of Ratan and Co. Vs. P. Narayanan, . Delhi High Court was mainly concerned as to whether the interlocutory order passed u/s 21 granting

extension of time was appealable u/s 109(2) or not and as to whether the order granting extension of time for filing the petition was a decision

affecting the right or liability of a party and as to whether the review application u/s 97(2) was maintainable or not. Of course, in para 25 with

regard to the notice of opposition to registration, it has been mentioned that Section 21 of the Act is specific and the general provisions contained

in Section 101 will not be applicable on the principle that the special Act excludes general and Section 100 does not apply when time is not

expressly provided in the Act, but it was noted that time was expressly provided u/s 21. In this context, it was observed by Delhi High Court in this

decision that question of extension of time depends on the satisfaction of the Registrar and if he finds sufficient cause, he may extend the time. The

matter is not of such great moment that an appeal or revision should be provided for extension of time. An indication of the legislative mind is

afforded by Section 101(2) and it was found to be certain that the legislature did not require the Registrar to hear the parties on the matter of

granting extension of time nor had it provided an appeal against orders made under sub-Section (1) of Section 101. This reasoning was also

applied to review an order of Registrar granting extension of time and it was observed that, the legislative policy is not to provide an appeal against

such an order both u/s 109(2) and Section 101(2) and further that review would not lie u/s 97(c). Having examined the entire case on merits, Delhi

High Court found that the Assistant Registrar had dealt with the whole matter at length and that he was right in extending the time and in taking the

notice of opposition on record and was also right in dismissing the review application. The Delhi High Court therefore, in this case, examined as to

whether the Registrar was right in extending the time or not and that the review was not maintainable against the order of extension of time and that

the concerned authority was not even required to hear both the sides at the time of passing the order extending the time. In the case of Kantilal

Tulsidas Jobanputra (supra), the High Court of Bombay considered the relevant provisions of the Act and the Rules and held that Rule 53 (2)

provides that opposition shall be deemed to have been abandoned unless the Registry otherwise directs and this 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 the evidence beyond the

period of two months; the legal position thus not being absolute being controlled by the discretion of the Registrar to extend the time, the

procedural Rule is clearly directory and not mandatory. On these premises, the Registry of the Trade Marks was found to be in error in holding

that the power to extend the time to file evidence stands extinguished in case the application for extension is not filed or extension is not granted

before the expiry of the period. Thus, the High Court of Bombay has categorically held in this decision that even if the period prescribed under

Rule 53 (1) expires and no application seeking extension of time is made before the expiry of this time, the Registrar's power to extend the time

even thereafter and entertain the application seeking extension of time moved after the expiry of the period of two months is not fatal and that this

Rule is only directory and not mandatory.

12. Lot of argument has been raised by the parties with regard to the two decisions of Delhi High Court. One of these two cases is Appeal Petition

No. 21/68 decided by Delhi High Court on 21-12-71 in the case of Hemla Embroidery Mills P. Ltd. v. Hindustan Embroidery Mills P. Ltd., by

Hon"ble Mr. Justice D. K. Kapur and the other is the case of Hindustan Embroidery Mills Pvt. Ltd. v. Hemla Embroidery Mills P. Ltd. decided on

19-12-77 again by Hon"ble Justice D. K. Kapur and this decision is reported in 1978 Intellectual Property Law Reporter 148. In the earlier

decision dated 21-12-71, the appellant i.e. Hemla Embroidery Mills P. Ltd. had lodged an opposition to the Registrar of Trade Marks and was

directed by the Asst. Registrar on 1-3-66 to file its evidence in support of the opposition. Appellant requested for extension of time on 3-5-66 by

three months which was granted. On 14-9-66 the respondents prayed to amend their counter statement to the opposition, which was permitted

and the appellant again applied for further extension of time on 5-12-66 for 6 months. This request was also granted and the appellant was

informed that this was the last extension. However, the appellant again made a further request for extension of time to file its opposition on account

of the pendency of certain arbitration proceedings. This request was again granted.

13. On the same day i.e. 6-2-67 the appellant also applied for stay of proceedings before Asst. Registrar, which was rejected by an order dt. 12-

5-67. That order was made the subject matter of an Appeal before Delhi High Court in F.A.O. No. 224/67. By the same order, the request of the

respondent in this Appeal for amendment of its counter statement was allowed and the appellant was asked to file its evidence in opposition within

2 months i.e. by 11-7-67. On 11-8-67 F.A.O. No. 224/67 was instituted in the High Court against the order refusing the stay of the proceedings.

On 14-8-67 a letter was sent on behalf of the appellant to the Asst. Registrar of Trade Marks, New Delhi stating that they had moved the High

Court for stay of the proceedings pending before him and it was requested that the proceedings be kept in abeyance till the question of stay is

decided by the High Court. The Asst. Registrar did not stay his hands as requested in this letter, but passed an order under Rule 53 (2) to the

effect that opposition with respect to Application No. 223355 was to be deemed to have been abandoned by the opponents i.e. appellants. This

led to the filing of a review Application to the Asst. Registrar, which was rejected by an order dated 8-1-68 passed by Asst. Registrar. It was

against this order passed in Review Application that the appellant had appealed to the Delhi High Court with an alternative prayer that the order dt.

19-8-67, which has been passed by the Asst. Registrar of Trade Marks under Rule 53 (2) may itself be set aside. Thus the F.A.O. No. 21/68

was directed against two orders of the Asst. Registrar dated 19-8-67 and 8-1-68. The first order being an order passed under Rule 53 (2) and

the second order being an order refusing to review the said order. An application had also been filed by the appellants to condone the delay in

filing the Appeal against the order dated 19-8-67. While considering the provisions of Rule 53, Delhi High Court observed that the Rule consists of

two parts, sub-Rule (1) provides that applicant had either to put in his evidence consisting of affidavits before the Registrar or intimate to him that

he does not desire to adduce evidence in support of the opposition but intends to rely on the facts stated in the notice of opposition. Sub-rule (2)

provides that unless the Registrar otherwise directs, the opposition will be deemed to have been abandoned if the course of action prescribed in

sub-Rule (1) is not followed by the appellant. The Court observed that the rule merely says that if the opponent does not take the action

prescribed in Rule 53 (1) the opposition will be deemed to be abandoned. The Registrar may otherwise direct, but if he does not otherwise direct,

the Rule is automatic and requires no further orders by the Registrar. As soon as the two months" period expired, the opposition should be

deemed to be abandoned. It is only in case the Registrar wishes to direct to the contrary i.e. to say that he will treat the opposition as still subsisting

that he has to pass an order. That not being so in the present case, the opposition was to be deemed to have been abandoned on 11-7-67. The

abandonment was automatic and hence incapable of review in this way. The words of the Rule, deeming the opposition to be abandoned, show

that the result is to be achieved by fiction and not by order. The Court found that the word "deemed" is only used to show that the rule itself brings

about the situation and not an order of the Asst. Registrar and in the facts of this case, the Court found that two months had expired on 11-7-67

and hence the opposition had to be deemed to be abandoned. The Court then considered the provisions ""Extension of time"" provided in S. 101 of

the Act and observed that the time mentioned in Rule 53 (1) i.e. 2 months is a time which has not been expressly provided in the Act and is,

therefore, capable of being extended by the Registrar himself. This time can be extended even if the time has expired i.e. even if the two months"

period has expired and Rule 53 (2) has come into operation and the opposition has been deemed to have been abandoned, the Registrar has still

power, under S. 101 to extend the time, which necessarily means that the opposition becomes alive again if this power is exercised. The rule made

under the Act cannot operate so as to defeat the Act. According to the Court, it was therefore clear that even if the deeming provision in Rule 53

(2) has come into application, if time is subsequently extended by the Registrar, the time for doing the act mentioned in Rule 53 (1) will stand

extended and, therefore, the opposition will again be deemed to be subsisting in spite of Rule 53 (2). Ultimately it was concluded that orders,

which had been sought to be Appealed, had no legal existence and no effect because the real order was the deemed order passed by the

automatic operation of Rule 53 (2) on 11-7-67 and whereas the two orders under Appeal had no legal existence, the Appeal was rejected with

the observations and clarifications stated in the body of the order.

14. The other case, which was decided subsequently on 19-12-77 i.e. Hindustan Embroidery Mills P. Ltd. v. Hemla Embroidery Mills P. Ltd.

reported in 1978 IPLR 148 was again a case between the same parties and decided again by Hon"ble Justice D. K. Kapur. The Court itself has

observed in the body of this decision that it had rejected the earlier Appeals and the present Appeal i.e. C.M. (Main) 20/77 was concerned with

the events which took place afterwards. It has referred to the notice No. 1805 issued by the office of the Registrar of Trade Marks on 2-7-71

stating that the Appeals had been rejected by the High Court and the order refusing to extend time passed by the Asst. Registrar of Trade Marks

had also been upheld. This notice finally stated as under :-

You are therefore called upon to file evidence in support of application within two months from the date hereof under Rule 54 of the Trade and

Merchandise Marks Rules, 1959"".

15. This led the appellants Hindustan Embroidery Mills Pvt. Ltd. to file an interlocutory petition challenging the notice mainly on the ground that no



further time could be granted to lead evidence by such a notice and reliance was placed on Rules 53 and 54 of the Trade and Merchandise Marks

Rules, 1959. This Application had been rejected by the Asst. Registrar which led in turn to the Appeal. While considering the grounds, the Court

itself has observed at page 150 of this report that :-

The grounds on which the application has been refused are complicated and I confess that I have some difficulty in understanding the order under

appeal.

16. At page 152 of the Report it has been recorded that after the Appeal had been decided, the notice issued by the office of the Registrar of

Trade Marks was to the effect that evidence could be filed within two months of the date of the notice. This means that virtually the previous order

of the Registrar as well as the decision of the High Court had been reversed by the Asst. Registrar. The Court has then noticed that although the

Assistant Registrar had by the previous order rejected the request for extension of time to file evidence, yet the notice gave two more months time

for filing the evidence under Rule 54 and thus the Assistant Registrar had virtually reversed all the earlier decisions by this method and that was the

submission made on behalf of the appellants, i.e. Hindustan Embroidery Mills Pvt. Ltd. The Court then considered as to whether the Assistant

Registrar was competent to grant a further opportunity to lead evidence under Rule 53. After analysis of the relevant provisions, Delhi High Court

held that the decision of the Assistant Registrar vide notice dated 2nd July 1971 permitting the respondents to lead evidence was contrary to law

as the effect of Rule 53 (2) was to render the opposition ineffective and abandoned and since action was not taken under sub-Rule (1) no contrary

direction could be issued by the Registrar. The opposition having been abandoned already, there was no question of any further evidence being

filed. The opposition having been abandoned under the deeming provision of a statutory Rule 53 (2) could not be treated as being still pending and

it was held that no further time could have been granted to the respondents to lead evidence as their opposition had already been abandoned by

virtue of Rule 53 (2).

17. The detailed reference as have been made hereinabove about the aforesaid two decisions would show that in the facts of these cases, there is

nothing which can be said to be inconsistent in the decisions rendered by the same Judge, so far as the legal principle is concerned that the

abandonment of opposition is automatic under Rule 53 (2) unless otherwise directed by the Registrar and it was thereafter open to the Assistant

Registrar to either direct that the opposition was still subsisting or to extend the time fixed by Rule 53 (1) on an application made u/s 101 of the

Act for extension of time to file the opposition. It is a different matter altogether that in the latter decision dated 19th December 1977, the High

Court came to a finding in the facts of this case that vide notice dated 2nd July 1971 the respondents could not be called upon to lead evidence

and that the opposition was rendered to be ineffective and abandoned under Rule 53 and action was not taken under sub-Rule (1), no contrary

directions could be issued by the Registrar. Mr. Sahani had also invited the attention of this Court to the Editor's note in the report of the latter

case, i.e. 1978 IPLR 148 which is as under :

It is submitted that it is not clear whether the attention of the Hon"ble Court was drawn to the fact that the Registrar did not call upon the

opponents to file evidence in support of opposition but called upon the applicants to file evidence in support of their applications.

18. It is not at all necessary for this Court to make any comment in this regard for the simple reason that, after considering both the cases in detail

as above, this Court finds that there is no inconsistency so far as the legal principle of law decided and applied in these two cases is concerned and

it remaining the same in both these cases, it is very clearly discernible that while considering the scope of Rule 53 and the question of abandonment

of opposition by fiction, the Court has also taken note of the provisions of Section 101 for the purpose of extension of time and that the Rule made

under the Act cannot operate so as to defeat the Act and further that even if the deeming provision in Rule 53 (2) has come into application, if time

is subsequently extended by the Registrar, the time for doing the act mentioned in Rule 53 (1) will stand extended and even if the opposition stood

abandoned, it will again be deemed to be subsisting in spite of Rule 53 (2).

19. The order dated 4th April 1995 which was passed by Justice J. K. Mehra of Delhi High Court in the case of Hastimal Jain Trading as Oswal

Industries Vs. Registrar of Trade Marks and Another, , shows that a reference has been made to Larger Bench to consider the following questions

:

(a) Whether Rule 53 (2) of the Trade & Merchandise Marks Rules, 1959 is directory or mandatoy ?

(b) Whether the Registrar's power to extend the time for filing evidence in support of the opposition stands extinguished if an application for

extension of time is not filed or extension is not granted before the expiry of the period of two months prescribed under Rule 43 (1) of the Trade &

Merchandise Marks Rule 1959 ?

(c) What is the effect of Rule 106 of the said Rules on the exercise of powers by the Registrar under Rule 53 (2) ?

20. It has been given out at the Bar that this reference was not been decided so far.

21. Now, in the light of the aforesaid decisions, I find that no particular provision in this regard can be considered in isolation. In such matters, the

cumulative effect of the relevant provisions under the Act and the Rules made thereunder so as to give effect to the provisions of the Act has to be

examined and it is settled that there cannot be any provision under the Rules which can be inconsistent with the provisions of the Act. Section 101

of the Act as has been quoted hereinabove specifically provides that if the Registrar is satisfied on an 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 under the Act), whether the time so specified has expired or not, he may, subject to such condition as he thinks fit to impose, extend the

time and notify the parties accordingly. Here the exclusion has been made only with regard to the time expressly provided in the Act. Therefore, it

is clear that if a time is expressly provided under any provision of the Act, the same cannot be extended, but any such exclusion is with regard to

the time prescribed or provided under the Rules. If that be so and Section 101 is taken to mean that in case the Registrar is satisfied, he can extend

the time for doing any act, so far as the scope of the Rules is concerned even if the time prescribed under the Rule has expired subject to his

satisfaction, he may extend the time. Rule 53 no doubt provides the period of two months, but that is a period provided under the Rules and

according to Rule 106 the embargo is only against the time provided under the Act and not under the Rules, meaning thereby that if the Registrar is

satisfied in a given case, he may extend the time even if the extension of time was not sought before the expiry of two months period and the same

is sought after the expiry of the period of two months. In the facts and circumstances of the present case, if the Registrar felt satisfied on the

application dated 21st March 1997, it was permissible to extend the time and he has granted such an extension of time which is permissible u/s

101 of the Act, no exception can be taken thereto and even if it is held as has been argued by Mr. R. R. Shah that Rule 53 is mandatory so far as

the time prescribed under Rule 53 is concerned, it is mandatory provision with regard to the time limit of two months and it cannot come in the way

of the Registrar for the purpose of extending this time because sub-Rule (2) itself uses the words, "unless the Registrar otherwise directs". In the

instant case, the Registrar has directed otherwise and allowed the extension on the application dated 21st March 1997. Even if a provision is

mandatory, the power with regard to extension of time has been given in the very same rule and such power is available under the Act read with

the scheme of the Act (including Section 101) and the rules made thereunder (including Rule 106). In such cases, the expiry of time limit cannot be

made to be a fate accomplished against the party for all times to come and had that been the intention of the legislature that such time cannot be

extended after it has expired, the legislature would have certainly made a specific provision in this regard. In absence of such a specific embargo, it

cannot be held that the order passed by the Registrar extending the time was unlawful or was contrary to the provisions of Rules 53 and the view

taken by the Bombay High Court in this regard that the time could be extended even after the expiry of the time and even if the application for

extension of time has been moved after the expiry of the time limit prescribed under Rule 53 (1) appeals to the reason and the view taken in these

decisions have to be applied whether the provisions of Rule 53 (1) are mandatory or directory. The question framed in para 8 of this judgment is

answered accordingly. In view of this legal position, the opposition could not be deemed to be abandoned and the impugned order which has been

challenged by the petitioner in this case is not found to be suffering from any infirmity and the abandonment of the opposition is found to be saved

by the order of extension passed by Assistant Registrar.

22. The net result of the aforesaid discussion is that this Court does not find any reason to interfere with the impugned order and there is no merit in

this Special Civil Application. The same is hereby dismissed. The notice is hereby discharged. The interim relief automatically stands vacated. It is,

however, clarified that the time spent during the pendency of this petition will not come in the way of the petitioner for the purpose of further course

of action to follow in accordance with the relevant Rules.

23. Application dismissed.