



Intellectual Property Appellate Board

Delhi Registry –Cum-Bench

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New Delhi – 110 066

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OA/3/2019/TM/MUM

WEDNESDAY, THIS THE 15 DAY OF JULY, 2020

HON'BLE SHRI JUSTICE MANMOHAN SINGH
HON'BLE DR. ONKAR NATH SINGH
(PVPAT)

CHAIRMAN
TECHNICAL MEMBER

1. **SHIVKUMAR SHANKARRAO THAKUR,**
KARTA OF OF H.U.F.,

24, PUSHPAK PARK, ORCHID, FLAT NO. 501, 5th &
6th FLOOR, AUNDH, PUNE – 411 007.

2. **SHAKTIE (FORMERLY SHRIPAD)**
SHANKARRAO THAKUR, KARTA OF H.U.F.,

24, PUSHPAK PARK, ORCHID, FLAT NO. 501, 5th &
6th FLOOR, AUNDH, PUNE – 411 007.

3. **GIRISH SHANKKARAO THAKUR,**
KARTA OF OF H.U.F.,

24, PUSHPAK PARK, ORCHID, FLAT NO. 501, 5th &
6th FLOOR, AUNDH, PUNE – 411 007.

...APPLICANT/APPELLANT

(Represented by: Shri W.S.Kane and company)

Versus

1. **YOGESH SHASHIKUMAR SAVADEKAR,**

96, NATIONAL CO – OPERATIVE SOCIETY,
PUNE – 411 042

2. **THAKUR SAVADEKAR AND CO. LTD.,**

377, GURUWAR PETH, PUNE – 411 042.

3. **THE REGISTRAR OF TRADEMARKS**

INTELLECTUAL PROPERTY BHAVAN, BESIDE

...RESPONDENT

ANTOP HILL POST OFFICE, S.M. ROAD, ANTOP HILL, MUMBAI – 400 037.

(Represented by - None)

ORDER

HON'BLE SHRI JUSTICE MANMOHAN SINGH, CHAIRMAN

1. The Appellants have filed the present appeal under Section 91 of the Trade Marks Act, 1999 against the Order dated 16th August 2017 (hereinafter referred to as “**the impugned Order**” passed by the Respondent No.3 allowing the request on Form TM-23 dated 24th December 2003 made by Respondent Nos.1 and 2. By the said Order, the Respondent No.3 has without hearing the Appellants, deleted the names of the Appellants and others as the registered proprietors of the registered trade mark Nos.4197 and 17 others (hereinafter referred to as “**the said registered trade marks**”) and entered the name of Respondent No.2 as the sole proprietor of the said registered trade marks.

2. The relevant part of the impugned Order is filed as under:

“Pursuant to a request on Form TM-23 dated 24/12/2003 and order thereon dated 16/08/2017, Thakur Savadekar & Co. Ltd. has been brought on record as subsequent proprietor in respect of said registered trade marks.”

3. Counsel for appellants state that admittedly the appellants are not the signatory of the assignment deed, nor the appellants have assigned the rights in favour of respondent No.1. The appellants are continuously carrying on business under the same trade mark. The applicants were

not served the application dated 24/12/2003 nor any notice of hearing was received.

4. It is submitted by Mr. Kane on behalf of appellant that the Appellants are joint registered proprietors of the said registered trade mark had an interest and statutory rights therein. Before deleting/ expunging the names of the Appellants as the registered proprietors of the said registered trade marks and thereby depriving the Appellants of their said statutory rights, it was the duty of Respondents and the Registrar of Trade Marks to give the Appellants an opportunity of being heard in the matter. It is submitted that such a notice/ opportunity is *sine qua non* under the principle of *audi alteram partem*, which is considered as one of the pivotal principles of natural justice.

5. The appellants rely upon the Judgment of the Hon'ble Supreme Court in **State Bank of India v Rajendra Kumar Singh & Ors.** In the facts of the said case, the question before the Hon'ble Supreme Court was whether the Bank who was the affected person was required to be heard before the Order of disposal of property under Section 517 of Code of Criminal Procedure, although the statute did not provide for any notice to the affected person. The Hon'ble Supreme Court, while relying on the ratio of the judgment in *Cooper v Wondsworth Board of Works*, held in the following paragraphs:

In support of this appeal, it was contended in the first place that the High Court had reversed the order of the Sessions Judge directing the return of the currency notes without giving a notice to the appellant and without giving an opportunity to it for being

heard. The argument was stressed that there was a violation of the principle of natural justice and the order of the High Court dated 5th April, 1963 was illegal. It was, however, contended on behalf of the respondents that there was no provision in Section 520 of the Code of Criminal Procedure for giving notice to the affected parties and the order of the High Court cannot be challenged on the ground that no hearing was given to the appellant. In our opinion, there is no warrant or justification for the argument advanced on behalf of the respondents. It is true that the statute does not expressly require a notice to be issued, or a hearing to be given to the parties adversely affected. But though the statute is silent and does not expressly require issue of any notice there is in the eye of law a necessary implication that the parties adversely affected should be heard before the Court makes an order for return of the seized property. The principle is clearly stated in the leading case of Cooper v. Wandsworth Board of Works [(1863) 14 CBNS 180]. In that case Section 76 of the Metropolis Local Amendment Act, 1855 authorised the District Board to demolish the building if it had been constructed by the owner without giving notice to the Board of his intention to build. The statute laid down no procedure for the exercise of the power of demolition, and, therefore, the Board demolished the house in exercise of the above power without issuing a notice to the owner of the house. It was held by the Court of Common Pleas that the Board was liable in damages for not having given notice of their order before they proceeded to execute it. Erle, C.J. held that the power was subject to a qualification repeatedly recognised that no man is to be deprived of his property without his having an opportunity of being heard and that this had been applied to "many exercises of power which in common understanding would not be at all a more judicial proceeding than would be the act of the district board in ordering a house to be pulled down". Willes, J. said that the rule was "of universal application and founded upon the plainest principles of justice" and Byles, J. said that "although there are no positive words in a statute requiring that the party shall be heard, yet the justice of the common law will supply the omission of the legislature".

(emphasis supplied by the Appellants)

6. The Appellants also rely upon the judgment by the Hon'ble Supreme Court in *D.K. Yadav v J.M.A. Industries Ltd.* wherein it has held:

8. *The cardinal point that has to be borne in mind, in every case, is whether the person concerned should have a reasonable opportunity of presenting his case and the authority should act fairly, justly, reasonably and impartially. It is not so much to act judicially but is to act fairly, namely, the procedure adopted must be just, fair and reasonable in the particular circumstances of the case. In other words application of the principles of natural justice that no man should be condemned unheard intends to prevent the authority from acting arbitrarily affecting the rights of the concerned person.*

9. It is a fundamental rule of law that no decision must be taken which will affect the right of any person without first being informed of the case and giving him/her an opportunity of putting forward his/her case. An order involving civil consequences must be made consistently with the rules of natural justice. *In Mohinder Singh Gill v. Chief Election Commissioner [(1978) 1 SCC 405 : (1978) 2 SCR 272, 308-F] the Constitution Bench held that 'civil consequences' covers infraction of not merely property or personal right but of civil liberties, material deprivations and non-pecuniary damages. In its comprehensive connotation every thing that affects a citizen in his civil life inflicts a civil consequence. Black's Law Dictionary, 4th edn., page 1487 defined civil rights are such as belong to every citizen of the state or country ... they include ... rights capable of being enforced or redressed in a civil action.... In State of Orissa v. (Miss) Binapani Dei [(1967) 2 SCR 625 : AIR 1967 SC 1269 : (1967) 2 LLJ 266] this Court held that **even an administrative order which involves civil consequences must be made consistently with the rules of natural justice. The person concerned must be informed of the case, the evidence in support thereof supplied and must be given a fair opportunity to meet the case before an adverse decision is taken. Since no such opportunity was given it was held that superannuation was in violation of principles of natural justice.***

10. *In State of W.B. v. Anwar Ali Sarkar [1952 SCR 284 : AIR 1952 SC 75 : 1952 Cri LJ 510] per majority, a seven-Judge Bench held that the rule of procedure laid down by law comes as much within the purview of Article 14 of the Constitution as any rule of substantive law. In Maneka Gandhi v. Union of India [(1978) 1 SCC 248 : (1978) 2 SCR 621] another Bench of seven Judges held that the substantive and procedural laws and action taken under them will have to pass the test under Article 14. The test of reason and justice cannot be abstract. They cannot be divorced from the needs of the nation. The tests have to be pragmatic otherwise they would cease to be reasonable. The procedure prescribed must be just, fair and reasonable even though there is no specific provision in a statute or rules made*

thereunder for showing cause against action proposed to be taken against an individual, which affects the right of that individual. The duty to give reasonable opportunity to be heard will be implied from the nature of the function to be performed by the authority which has the power to take punitive or damaging action. Even executive authorities which take administrative action involving any deprivation of or restriction on inherent fundamental rights of citizens, must take care to see that justice is not only done but manifestly appears to be done. They have a duty to proceed in a way which is free from even the appearance of arbitrariness, unreasonableness or unfairness. They have to act in a manner which is patently impartial and meets the requirements of natural justice.

(emphasis supplied by the Appellants)

7. The Appellants further rely upon the judgment of the Hon'ble Delhi High Court in *RadhaKrishan v Asst. Registrar of Trade Marks*. In the facts of the said case, the trade mark "USHA" was registered jointly in the names of Appellant, Respondent No.3 and Respondent No.4. Subsequently, Respondent Nos.3 and 4 made an application to the Ld. Registrar of Trade Marks on Form TM-16 to substitute the name of Respondent Nos.3, 5, 6 and 7 in place of the existing names. On the same day another application was made by Respondent Nos. 3 and 4 to replace the names of Respondent Nos. 6 and 7 with the names of Respondent Nos.4 and 8. Both the said applications were allowed by the Ld. Registrar and the name of the Appellant was accordingly removed as one of the joint proprietors of the registered trade mark. The Appellant challenged the said Orders before the Hon'ble Delhi High Court inter-alia on the ground that the impugned Orders have been passed by the Ld. Registrar without any notice or information to the Appellant and the same were therefore illegal, void and without jurisdiction. The Ld.

Registrar defended the impugned Order contending inter-alia that there is no provision in the Act or in the Rules which prescribes serving a copy of the application on Form TM-24 on the party which is likely to be affected by the change of records and that therefore an Order on Form TM-24 can be passed without any such notice. Rejecting the Ld. Registrar's said contention, the Hon'ble Delhi High Court held that since the title of an Applicant to Form TM-24 is pitched against the title of someone else whose name is already on the Register, the hearing of such an application must be conducted in the presence of both the parties. The Hon'ble Delhi High Court further held that the registration of trade mark grants substantive rights to the registrant and the same cannot be taken away merely by filing an application for substitution of one's own name in place of the original proprietor and by the Ld. Registrar's acceding to the said request on the basis of ex-parte proof. The following paragraphs from the said judgment are relevant here:

16. I now turn to the merits of the appellant's claim. It is common ground that at least one of the impugned orders was made by respondents 1 and 2 in exercise of their powers under Section 57(1) of the Act on an application made by respondents 3 and 4 on Form T. M. 16. The procedure prescribed for dealing with such an application is laid down in R. 99 which makes it obligatory on the person making the application to serve a copy thereof on the registered user or users of the trade mark and on any other person who appears from the register to have an interest in the trade mark. It is also provided in Form T. M. 16 that the applicant should make an averment in the application that a copy of the request has been served on the registered proprietors of the mark. According to the entries in the register, the name of the appellant was admittedly shown as one of the registered proprietors and as such he was a person who had an interest in the trade mark. It was, therefore, incumbent upon respondents 3 and 4 to have served a copy of the application on him. Since the impugned order was made by the Registrar in

contravention of the provisions of Rule 99 the order cannot be sustained. Even otherwise the appellant having a vested right in his name being continued to be shown in the register an order removing his name could not be passed without complying with the elementary requirement of rules of natural justice.

17. This takes me to the other order which purports to have been made on the application presented on Form T, M. 24. Mr. Kirpal, learned counsel for respondents 1 and 2 strenuously argues that although it may be not possible to make an order on an application presented on Form T. M. 16 without serving a copy of the application on the party which is likely to be affected by the change, an order can be passed on an application presented on Form T. M. 24. Mr. Kirpal relies for this argument on the language of Rule 99 which expressly mentions applications made on Forms T. M. 16, T. M. 33, T. M. 34, T. M. 35, T. M. 36, T. M. 37 and T. M. 50 but does not mention an application made on Form T. M. 24. Mr. Kirpal submits that if the necessity of a notice on an application of this type is insisted upon, it would tremendously increase the volume of work to be done in the office of the Registrar. He also submits that the Rules have deliberately made no provision of notice on such applications because the aggrieved party has an equally efficacious alternative remedy under Sub-section (2) of Section 56 which reads as under:-- "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 a High Court or to the Registrar, and the tribunal may make such order for making, expunging or varying the entry as it may think fit."

I am not at all impressed by this argument. Form T. M. 24 relates to an application for registration of assignments and transmissions for which a provision has been made in Section 44 of the Act, Sub-section (1) of Section 44 and its proviso which is material for the purpose of this argument reads as under:--

"Where a person becomes entitled by assignment or transmission to a registered trade mark, he shall apply in the prescribed manner to the Registrar to register his title, and the Registrar shall, on receipt of the application and on proof of the title to his satisfaction, register him as the proprietor of the trade mark in respect of the goods of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the register.

Provided that where the validity of an assignment or transmission is in dispute between the parties, the Registrar

may refuse to register the assignment or transmission until the rights of the parties have been determined by a competent Court."

The relevant rules for dealing with such applications are contained in Chapter IV (Rules 71 to 81). Under R. 71 an application to register the title of a person who becomes entitled by assignments or transmissions to a registered trade mark has to be made on Forms TM-24 or TM-23 according as it is made by such person alone or conjointly with the registered proprietor. Form T. M. 23 provides for a joint request by a registered proprietor and transferee to register the transferee as subsequent proprietor of the trade mark upon the same devolution of title. Form T. M. 24 relates to a request to register a subsequent proprietor of a trade mark or trade marks upon the same devolution of title. Under Rule 72 the application has to give particulars of the instrument, if any, under which the applicant or in the case of a joint application, the person other than the registered proprietor claims to be entitled to the trade mark. If the application for registration of title is not supported by any document or instrument which is capable in itself of furnishing proof of title, Rule 73 provides for an alternative mode of proof. Rule 74 empowers the Registrar to call upon any person who applies to be registered as the proprietor of a registered trade mark to furnish such proof or additional proof of title as he may require for his satisfaction. Then follow certain other rules with which we are not concerned in the present case.

18. It appears to me to be implicit in these rules that when an application for registration of assignment or transmission is made by some persons in respect of a trade mark in which the names of certain other persons are shown as registered proprietors, before any action is taken on that application, the persons whose names are already on the register must have a notice of that application. If the requirement of Section 44 is that the applicant should prove his title to the trade mark and the title set up by him is pitched against the title of someone else whose name is already borne on the register the inquiry must be conducted in the presence of both the parties.

19. That the Registrar himself took this very view of the requirement of the Section is apparent from his letter dated 22-1-1968 addressed to Acme Co. Delhi who were representing respondents 3 and 4 as their trade mark attorneys. By means of that letter information was specifically sought as to how the names of Shri Jai MadhoAvasthi, ShriRadhaKishanKhandelwal and Rama ShankerAvasthi had been entered in the register as the registered proprietors of the trade mark when according to the partnership deed dated 26-2-1958 Jai MadhoAvasthi,

AnandMadhoAvasthi, Shmt. Shakuntla Devi and Shmt. Manorma Devi alone were shown to be the partners of Asia Pen Co, By a subsequent letter dated 5-2-1968 the aforesaid attorneys were called upon to file affidavits of ShriRadhaKishenKhandelwal and Shri Rama ShankerAvasthi that they never had been partners in the firm Asia Pen Co. before their request on T. M. 24 could be considered. As a matter of fact it was specifically stated in the letter that unless that evidence was filed the request on T. M. 24 could not be considered at all.

20. It however appears that later on, there was softening of attitude on the part of the Registrar and the necessary alteration was made not only in the absence of any affidavit from the appellant but also even without any notice to him.

21. Section 32 makes the registration of the trade mark to be conclusive from the point of view of validity of the trade mark after the expiration of seven years from the date of such registration unless it is proved that the trade mark was registered in contravention of the provisions of Section 11 or that it offended against the provisions of that Section on the date of commencement of proceedings or that the trade mark was not, at the commencement of the proceedings, distinctive of the goods of the registered proprietor. The registration of the trade mark in the present case with the name of the appellant as one of its proprietors has been there for over ten years. Normally his name could not be removed even on an application under Section 56 of the Act unless there was evidence to show that the original registration was obtained by fraud or there was some other good cause. All these proceedings could not have, therefore, been taken without proper notice to the appellant or without affording him an opportunity to show cause against the proposed action.

22. As the question that has arisen in these appeals has come up before this Court for the first time and the learned counsel for the parties have also not drawn my attention to any decided case from another High Court I should like to express my views on the nature of the proceedings held by the Registrar when dealing with applications for alteration in the names of the registered proprietors.

23. To start with I must say, that I have found it a little difficult to appreciate the reason given by the Registrar for declining to supply the copies of his orders to the appellant. The Registrar seems to be of the view that an alteration made in the certificate of registration by removing the name of the person who is entered as a proprietor therein and substituting in his place the name of another person either by way of assignment or

transmission or for any other reason is an administrative function. I cannot agree. In my judgment the registration of a trade mark confers on the person in whose favor the mark is registered some very valuable rights. To mention only one such right, one may turn to Sub-section (1) of Section 27 which in terms provides that no person shall be entitled to institute any proceedings to prevent or to recover damages for, the infringement of an unregistered trade mark.

24. It is true that the only result of prohibiting an action for infringement in the case of an unregistered trade mark is that the action which can be brought will no longer be called an action for infringement and the plaintiff will have to prove that the defendant's conduct is calculated to deceive and for that purpose, he cannot claim, that the user of the mark is itself sufficient to entitle him to sue. In practice however, want of registration entails serious consequences, as the Courts are usually most reluctant and generally decline to grant an injunction restraining the opposite party absolutely from using a mark unless the plaintiff can claim that it is an infringement of the statutory right conferred by his registration of a trade mark.

25. That is precisely the reason why such elaborate procedure has been laid down in the Act and the Rules framed there under and so much care and circumspection is exercised before an application for registration of a trade mark is finally accepted by the Registrar and the name of the applicant is entered in the register as proprietor of the mark. It is axiomatic that a consummation achieved by a person after such long and patient striving cannot be set at naught by the simple device of some one filing an application before the Registrar for removal of that name from the register and for substitution of his own name in place of the original proprietor and by the Registrar's acceding to that request on the basis of ex parte proof.

26. I am firmly of the view that a proceeding for making an alteration of this nature in the Register of trade marks can by no means be regarded as a purely administrative proceeding and that the Registrar while discharging his duties in that behalf performs quasi judicial functions whereby he decides, prima facie at least, the rights of the parties. It is, therefore, of the essence of the procedure 'required for performing that duty that the party whose rights are going to be adversely affected by the decision taken by the Registrar should have a notice of those proceedings and the decision should also be supported by reasons. The necessity for reasons in support of the decision arises also from the fact that the Registrar's decision is open to an appeal before the High Court.

27. Assuming I am wrong there and it is held that the function performed by the Registrar is of an administrative character the necessity for a notice and some kind of inquiry will still be there and since the order made by the Registrar is open to appeal before the High Court, the party aggrieved by his decision will obviously be entitled to a copy of the order being supplied to him on payment of usual charges.

28. It is true that the rules do not expressly require a notice to be issued or a hearing to be given to the party adversely affected by the order when an application on Form T. M. 24 is made before the Registrar, but there is in the eye of law a necessary implication that the party adversely affected should be heard before an order for the removal of his name can be made against him. The principle is clearly stated in the leading case of Cooper v. Wands worth Board of Works, (1863) 14 Cbns 180. In that case Section 76 of the Metropolis Local Amendment Act, 1855 authorised the District Board to demolish the building if it had been constructed by the owner without giving notice to the Board of his intention to build. The statute laid down no procedure for the exercise of the power of demolition, and, therefore, the Board demolished the house in exercise of the above power without issuing a notice to the owner of the house. It was held by the Court of Common Pleas that the Board was liable in damages for not having given notice of their order before they proceeded to execute it. Erle C. J. held that the power was subject to a qualification repeatedly recognised that no man is to be deprived of his property without his having an opportunity of being heard and that this had been applied to "many exercises of power which in common understanding would not be at all a more judicial proceeding than would be the act of the district board in ordering a house to be pulled down." Willes J. said that the rule was "of universal application and founded upon the plainest principles of justice" and Byles J. said that "although there are no positive words in a statute requiring that the party shall be heard, yet the justice of the common law will supply the omission of the legislature.

(emphasis supplied by the Appellants)

7. In view of the well settled law, it is evident that it was mandatory to give notice of the said request on Form TM-23 to the Appellants and other joint proprietors of the said registered trade marks, before considering the said request on its merits.

8. No one appeared on behalf of respondents nor any counter affidavit has been filed.

9. The facts as per appellants are that as from 22nd October, 1979 until the date of the impugned Order, the said registered trade marks stood registered in the names of the following persons:

- (1) ShashikumarKisanraoSavadekar on behalf of himself and for minor sons (i) YogeshShashikumarSavadekar (Respondent No.1) and (ii) ShekharShashikumarSavadekar;
- (2) JayantraoGovindrao Thakur;
- (3) SrinivasVasantrao Thakur Karta of HUF;
- (4) DayanandVasantrao Thakur;
- (5) Sanjay Vasantrao Thakur;
- (6) VijaykumarShankarrao Thakur – Karta of HUF;
- (7) ShivkumarShankarrao Thakur, Karta of HUF (Appellant No.1);
- (8) ShripadShankarrao Thakur Karta of HUF (Appellant No.2);
- (9) GirishShankarrao Thakur Karta of HUF (Appellant No.3);
- (10) DattatryaShankarrao Thakur Karta of HUF; and
- (11) KalavatibaiShankarrao Thakur trading as Thakur Savadekar Company.

The documentary evidence reflecting the abovementioned entries in the Register of Trade Marks vis-à-vis the said registered trade marks has been filed with the Memo of Appeal.

9.1. On or about 24th December 2003, Respondent No.1, who was himself not one of the registered proprietors of the said trade marks, along with Respondent No.2 made a joint request on Form TM-23 dated 24th December 2003 under the provisions of Section 44 of Trade and Merchandise Marks Act, 1958 (“**the Act**”) read with Rule 71 of Trade and Merchandise Marks Rules 1959 (“**the Rules**”), to enter the name of Respondent No.2 as the subsequent proprietor of the said registered trade marks, instead of the Respondent No.1 (emphasis supplied by the Appellants). The said request on Form TM-23 was made on the basis of a Deed of Assignment dated 4th September 2003 executed by and between the Respondent No.1 as the Assignor of the One Part, the Respondent No.2 as the Assignee of the Second Part and JayantraoGovindrao Thakur, SrinivasVasantrao Thakur, DayanandVasantrao Thakur and ShekharShashikumarSavadekar as the Consenting Parties of the Third Part. By the said Deed of Assignment, Respondent No.1 wrongfully claiming to be the owner of 1/6th (one sixth) undivided right, title and interest in the said registered trade marks allegedly assigned and transferred unto the Respondent No.2 his 1/6th right, title and interest in the said registered trade marks together with the goodwill of the business. Respondent No.1 also filed his Affidavit dated 4th

September 2003 in support of the said request on Form TM-23. It is pertinent to note here that neither in the said request on Form TM-23 nor in the affidavit in support thereof, it was mentioned that the Appellants are the other joint proprietors of the said registered trade marks. On the contrary, in the affidavit in support of the said request on Form TM-23, Respondent No.1 had falsely stated that he was entitled to assign and transfer his alleged rights, title and interest with the consent of the other joint proprietors viz. JayantraoGovindrao Thakur, SrinivasVasantrao Thakur, DayanandVasantrao Thakur and Thakur Savadekar& Co. Pvt. Ltd. No notice of the said request on Form TM-23 dated 24th December, 2003, was given by Respondent Nos.1 and 2 to the Appellants, despite the fact that the Respondent Nos.1 and 2 were aware that the Appellants are some of the other joint proprietors of the said trade marks.

9.2. Thereafter, pursuant to Respondent No.3's letter No.10429 dated 20th January 2004, Respondent No.2 filed Affidavit of DayanandVasantrao Thakur dated 11th February 2004deposing that no proceedings are pending relating to the said registered trade marks in any court of law or tribunal.

9.3. On the basis of the aforesaid material and without giving any notice/ opportunity to the Appellants of being heard on the merits, Respondent No.3, vide the impugned Order dated 16th August 2017, allowed the said request on Form TM-23 dated 24th December 2003, wrongfully deleted the names of the Appellants and others as

the joint proprietors of the said registered trade marks and entered the name of Respondent No.2 as the sole proprietor of the said registered trade marks. Respondent No.3 also failed to intimate the impugned Order to the Appellants. The Appellants have only accidentally come to learn about the impugned Order in October, 2018. The Appellants had thereafter made an Application for certified copy of the impugned Order to the Registrar of Trade Marks. However, till date Respondent No.3 has not provided to the Appellants certified copy of the impugned Order.

9.4 The Appellants state that although a copy of the present Memorandum of Appeal along with the relevant annexures thereto has been served upon each of the Respondents in January, 2019 itself, none of the Respondents have filed any response to the same.

10. The Judgment of the Hon'ble Delhi High Court in *RadheKrishan*(Supra) was subsequently followed by the Hon'ble Bombay High Court in **Dhanwant M. Shah v Shri Bharat Hirji Shah & Ors.** The facts of the said case are that Mr. D.M. Shah was the sole registered proprietor of the trade mark "D.M. Pakitwala" and was carrying on business in partnership with Mr. B.H. Shah and Mr. R.H. Shah. Upon the retirement of Mr. D.M. Shah from the said partnership firm, an application was made on Form TM-16 to include the names of Mr. D.M. Shah, Mr. BH. Shah and Mr. R.H. Shah, partners of the firm

and trading as M/s. D.M. Pakitwala, as the proprietors of the registered trade mark. On the very same day another application was made on Form TM-24 by which Mr. B.H. Shah and R.H. Shah sought their names to be entered as the proprietors of the registered trade mark. Pursuant thereto, the Ld. Registrar of Trade Marks allowed the Application on Form TM-16 to include the names of Mr. D.M. Shah, Mr. B.H. Shah and Mr. R.H. Shah as the registered proprietors of the registered trade mark. On the same day, the Ld. Registrar also allowed the abovementioned application on Form TM-24 by which the names of Mr. B.H. Shah and Mr. R.H. Shah were reflected as subsequent proprietors of the registered trade mark. The said Orders were challenged by Mr. D.M. Shah before the Hon'ble Bombay High Court, inter-alia, on the ground that before passing the said Orders, no notice was given to him by the Ld. Registrar. Relying upon the Judgment in RadheKrishan(Supra), the Hon'ble Bombay High Court held that:

8. ... so far as the aforesaid ruling is concerned, the same applies to the facts of the case before this court in as much as the trade mark having been registered in the name of the Petitioner as trading in the name of D.M. Pakitwala, **it was obligatory on the part of the Applicants and Registrar to give notice to the Petitioner, of the application made before the Respondent No.3 namely the Registrar of Trade Marks,** as the Petitioner had vested right as his name was shown in the Register and the Order dated 13th June, 1990 by which the names of Bharat Hirji Shah and RajendraHirji Shah were introduced as partners of D.M. Pakitwala and the second order of the same date by which the name of DhanvantHirji Shah was deleted without notice, have been passed without complying with the provisions of the elementary rules of equity and justice.

9. Therefore, so far as the impugned order dated 13th June, 1990 is concerned, in view of the fact that the same has been passed without hearing or giving notice to the Petitioner, the

same deserves to be and is set aside and the matter is remanded back to the Respondent No.3 namely the Registrar of Trade Marks with direction to him to give notice to the Petitioner and give him an opportunity of being heard in the matter.

(emphasis supplied by the Appellants)

The Judgment of the Hon'ble Delhi High Court in RadheKrishan(Supra) has also been followed by the Division Bench of the Hon'ble Madras High Court in K.L. Rajakrishnan v Parthas Textile, Kottayam and by the Hon'ble Delhi High Court in Kohinoor Paints Faridabad (P) v Paramveer Singh AndAnr.

11. It appears to us that in view of the settled law, it is apparent that it is not only in gross violation of principle of natural justice, but the impugned Order also shows non-application of mind on the part of Respondent No.3. The same is evident from the following:

a) Respondent Nos.2 and 3 made the request on Form TM-23 under Rule 71 of the Rules read with Section 44 of the Act. The said Rule 71 is reproduced hereinbelow:

71. APPLICATION FOR ENTRY OF ASSIGNMENT OR TRANSMISSION. –An application to register the title of a person who becomes entitled by assignment or transmission to a registered trade mark shall be made on Forms TM-24 or TM-23 according as it is made by such person alone or conjointly with the registered proprietor.

(emphasis supplied by the Appellants)

The standard format of Form TM-23, as is provided by the Rules, is reproduced hereinbelow:

FORM TM-23

Fee . See entries Nos. 24 and 25 of the First Schedule]

TRADE AND MERCHANDISE MARKS ACT, 1958

Joint request by registered proprietor and transferee to register the transferee as subsequent proprietor of trade marks upon the same devolution of tile sec. 44. rule 71..

We.....and.....hereby request, under rule 71, that the name of.....carrying on business as..... at,may be entered in the Register of Trade Marks as proprietor of the trade marks(s) No.in class.....as from theby virtue ofof which the original and an attested copy are enclosed herewith.

The assignment of the trade mark was (not made otherwise than in connection with the goodwill of the business in which the marks (had been) (was) used (and there is sent herewith copy of the Registrar’s direction to advertise the assignment. a copy of each of the advertisements, complying therewith, and a statement of the dates of issue of any publications containing them).

We declare that the facts and matters stated therein are true to the best of our knowledge, information and belief.

Dated this..... day of19.....

(emphasis supplied by the Appellants)

12. It is submitted on behalf of appellant that assuming while disputing that there was a legal and proper assignment of right, title and interest in the said registered trade marksby Respondent No.1 to Respondent No.2, even as per Respondent Nos.1 and 2’s request on Form TM-23, The Registrar of Trade Marks may enter the name of Respondent No.2 in place and instead of Respondent No.1 and retained the names of the Appellants and other joint registered proprietors as joint proprietors. The Registrar of Trade Marks would not have deleted the names of the Appellants or entered the name of Respondent No.2 as the sole registered proprietor of the said registered trade marks in place of the Appellants and other joint registered proprietors. The same shows complete non-application of mind while disposing the said request on Form TM-23.

13. It is evident from the above, a joint request on Form TM-23 can only be made by the registered proprietor of the trade mark along with the transferee. The term “registered proprietor” is defined under Section 2(1)(q) of the Act as:

“registered proprietor”, in relation to a trade mark means the person for the time being entered in the register as proprietor of the trade mark.

In the facts of the present case, joint request on Form TM-23 was made by Respondent Nos.1 and 2, to record the name of Respondent No.2 in place of Respondent No.1 as one of the joint proprietors of the said registered trade mark. The said request was based on a Deed of Assignment dated 4th September, 2003. However, the Registrar of Trade Marks failed to appreciate that the Deed of Assignment dated 4th September, 2003 by and between the Respondent No.1 and Respondent No. 2 incorrectly recorded that the Respondent No.1 had 1/6th undivided right, title and interest in the said registered trade marks, whereas according to the Register of Trade Marks, the Respondent No.1. The Register of Trade Marks, ought to have looked into the Register of Trade Marks. However, without checking the Register of Trade Marks, allowed the said request on Form TM-23 dated 24th December, 2003. In any event, it appears to us complete non-application of mind in disposing the said request on Form TM-23.

14. The Registrar of Trade Marks also failed to notice that apart from the parties to the said Deed of Assignment dated 4th September 2003 viz. Respondent No.2 and JayantraoGovindrao Thakur,

SrinivasVasantraoThakur, DayanandVasantrao Thakur, and ShekharShashikumarSavadekar the Appellants and others were also the other joint proprietors of the said registered trade marks and that they have not given their consent to the said assignment and to the said request on Form TM-23. The Respondent No.1 was only one of the several joint proprietors of the trade marks could not have assigned or transferred his undivided right, title and interest in the said registered trade marks to a third party without the consent of **each and every other joint registered proprietor**(emphasis supplied by the Appellants) of the said registered trade marks and in the circumstances, in the absence of consent of the Appellants and other joint registered proprietors of the said registered trade marks, the assignment of the said registered trade marks vide Deed of Assignment dated 4th September, 2003 as also the said request on Form TM-23 dated 24th December, 2003 were illegal, invalid and not sustainable in law. In this behalf, the judgment of the Division Bench of the Hon'ble Madras High Court in **K.L. Rajakrishnan**(Supra) is relevant. In the facts of the said case, the surviving partners of a reconstituted firm made an application to the Ld. Registrar of Trade Marks to enter their names as the subsequent proprietors of the registered trade mark in place of the names of the existing registered proprietors. Upon receiving the said request, the Ld. Registrar of trade Marks directed the surviving partners to obtain inter-alia consent of the retired partners to enter the former's name as the subsequent proprietors of the registered trade mark. The surviving partners produced consent of only two of the several retired partners. On

perusing the documents, the Ld. Registrar passed an order entering the names of the surviving partners as the registered proprietors of the registered trade mark. When the retired partners came to learn about the Order of the Ld. Registrar they issued a notice to him informing him that his action was unauthorized. On receiving the said notice, the Ld. Registrar issued a show cause notice under Section 56(4) to the surviving partners on the ground that an error had crept in the entries and the same was made against the provisions of the Act. After hearing both the sides, the Registrar held that his Order wherein the names of the retired partners were deleted and in their place, the names of the surviving partners were substituted, was without notice, and that was in violation of the provisions of the Act; that admittedly there was dispute between the parties affecting their rights, and it was in the interest of justice, that the earlier Order should be rectified; that since there was dispute between the parties with regard to the proprietary right of the trade mark, all further transactions in respect of the same would be entered into after getting orders from the competent Court or by producing an agreement, agreed to by all the parties, and by filing a joint request in that regard in Form T.M.23. The surviving partners challenged the said Order of the Registrar before the Single Judge of the Hon'ble Madras High Court. The Ld. Single Judge of the Hon'ble Madras High Court partly allowed the said appeal. The said order was then challenged by the retired partners before the Division Bench of the Hon'ble Madras High Court. After considering all the documents on record and the relevant judgments on the issue, the Division Bench set aside the Order

of the Ld. Single Judge and restored the Order passed by the Registrar of Trade Marks. The following paragraphs from the Judgment by the Division Bench are apposite here:

24. In this case, when the first respondent moved for entering his name in the Register, the second respondent wanted the retirement deed as well as the affidavit of the retiring partners and also their consent for the applicants being substituted in their place. Instead of satisfying that requirement sought for, the first respondent filed the retirement deed of Nagalakshmi and Indumathi, who had nothing to do with the deed dated 1-2-1991 or 1-4-1992. It may also be noted that in the application for entering their name, the first respondent relied only on the partnership deed dated 1-4-1992 and not on any other documents. In the partnership deed dated 1-4-1992, neither the appellant nor the respondents are parties. Even the documents sought for were not produced. But, in spite of the same, without hearing the affected person, whose name was already on record, an Order was passed on 13-8-1993. It is in this connection, the decision reported in A.I.R. 1969 Delhi 324 (supra) gains importance. In paragraph 18 of the judgment, the learned Judge, relying on Rules 73 and 74 of the Trade and Merchandise Marks Rules 1959, held that proof of title is necessary, and the inquiry must be conducted in the presence of both parties.

32... Finally, after ordering status quo, second respondent directs that no further transaction will be entered in the Registers unless parties settle the matter and file a joint memo before him or a final adjudication by a competent Civil Court is brought to its notice. By virtue of that Order, what the second respondent did was, to undo the illegality committed by him and the parties were restored to their original position.

*36. We do not think that these disputed facts need be considered by us especially when the matter is now pending adjudication before the competent Civil Court. In so far as Trade Mark is concerned, the Act is exhaustive. The 1st respondent who wants to get his name entered in the Register, has to prove that there was an assignment or transmission in his name. Admittedly, there is no document of assignment. It can also be said that there is no transmission in favour of 1st respondent and other surviving partners since there is no devolution by law. **According to us, even this question need not be finally decided. Under Section 44(1) Proviso, the Registrar may refuse to enter or recognise the subsequent proprietor's name in the Register if the claim is disputed. The decision by 2nd respondent in this regard is, therefore, correct.***

(emphasis supplied by the Appellants)

15. Even if the assignment is valid, we are of the view that at least the appellants and others were to issue notice before deleting their name. In view of the above, since the impugned Order was passed without giving any notice or opportunity of being heard to the Appellants, the same was/is in gross violation of principle of natural justice and is therefore liable to be quashed and set aside the impugned order dated 16.08.2017

16. The matter is remanded back to the respondent No.2 to decide the request of TM-23 filed by the respondent No.1 and 2 after issuance of valid notice to all affected parties and after inviting the objections, if any, within reasonable time and hearing of all parties as valuable rights of the parties are allowed. The same request on Form TM 23 may be decided within six months. We may clarify that nothing on merit has been decided. The order was set-aside in view of settled law on the issue of natural justice, which is not applied in the present case.

17. The appeal is allowed.

18. Copy of the order be sent to all parties by the Registry .

19. No costs.

-Sd/-

(Dr. Onkar Nath Singh)
Technical Member (PVPAT)

-Sd/-

(Justice Manmohan Singh)
Chairman

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