
DETERMINING THE COMPETENT HIGH COURT FOR FILING THE RECTIFICATION AND CANCELLATION PETITION UNDER THE TRADEMARKS ACT, 1999

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**CASE COMMENT: Dr. Reddy Laboratories Ltd. V. Fast Cure Pharma & Anr.
Clubbed With, Centre Consortium, Llc V. Krunal Harjibhai Sardhara & Anr., C.O.
(COMM.IPD-TM) 8/2023**

ABSTRACT

“This case commentary examines the jurisdiction of competent courts for filing Rectification and Cancellation Petitions under the Trademarks Act, 1999. A rectification petition in a trademark suit is filed when changes are needed to protect Intellectual Property Rights. If an interested party identifies similarities between its trademark and another’s, a rectification petition may be submitted. The commentary discusses the territorial jurisdiction, specifically the location where the effect of trademark registration is felt. This case involves trademark infringement, with the Petitioner’s mark being copied by the Respondent for the same class of goods. The case satisfies the triple identity test, involving deceptive similarity, identical goods/services, and the same consumer base. This commentary also highlights both parties’ contentions and the Court’s judgment, where the Hon’ble Court expanded on its interpretation from *Girdhari Lal Gupta v. K. Gian Chand & Co.*¹ Observations and analyses are presented, concluding with a summary of the case’s significance.”

¹ *Girdhari Lal Gupta v. K. Gian Chand & Co.*, AIR 1978 Delhi 146

I. INTRODUCTION

The case “Dr. Reddy Laboratories Ltd. V. Fast Cure Pharma and Anr.” Focuses on determining which court has jurisdiction to hear cancellation, rectification, and infringement petitions under Sections 47², 57³, and 124⁴ of the Trademarks Act, 1999. This case builds on the Delhi High Court’s 1978 ruling in “Girdhari Lal Gupta v. K. Gian Chand & Co.” The inclusion of the term ‘High Court’ in Sections 47 and 57, and the term ‘Court’ in Section 124, led to ambiguity, prompting this case before the Delhi High Court. In its ruling, the Court addressed these issues and upheld its earlier decision in the Girdhari Lal case, affirming its interpretation regarding the petitions under these sections of the Trademarks Act.

II. BRIEF FACTS

In 2021, the Petitioner filed an infringement suit CS (COMM) against Respondent No. 1 i.e. Fast Cure Pharma for using the Petitioner’s mark RAZO in the Respondent’s mark RAZOFAST. The marks are used concerning the same antacid pharmaceutical compound ‘Rabeprazole’. The respondent’s mark implies that the Respondent’s product is providing relief quickly by adding the suffix, ‘FAST’.

The petitioner’s mark RAZO, which is an inventive and arbitrary manner of denoting the Active Pharmaceutical Ingredient in the product Rabeprazole, has been wholly copied by the respondent in the impugned RAZOFAST mark. The trade dress of the respondent is also similar to that of the petitioner’s one. The respondent and the petitioner are dealing in the same product, namely, Rabeprazole. They are also available at the same retail outlets and cater to the same class of consumers. The triple identity test, which consists of deceptive similarity of marks, identity of goods/services, the same sales channel and catering to the same consumer base, is also fulfilled.

In the present petition, it was observed that during the pendency of the previous suit, the petitioner sought cancellation of the defendant’s RAZOFAST mark. Therefore, the petitioner filed this present petition demanding rectification of the Register of Trade Marks by removal of the Respondent’s mark, ‘RAZOFAST’. The main issue that arises before this Hon’ble Court

² The Trademarks Act, 1999, § 47, No. 47, Acts of Parliament, 1999 (India).

³ The Trademarks Act, 1999, § 57, No. 47, Acts of Parliament, 1999 (India).

⁴ The Trademarks Act, 1999, § 124, No. 47, Acts of Parliament, 1999 (India).

is whether this Court or the High Court of Calcutta exercises territorial jurisdiction over the Kolkata office of the Trade Marks Registry that granted registration to the respondent's mark, 'RAZOFAST'. Therefore, the issue of territorial jurisdiction has arisen in the present petition.

III. ISSUES RAISED

- a) Whether a cancellation petition under Section 47⁵ of the Trademarks Act, 1999, can be filed before the High Court with jurisdiction over the trademark registry office where the mark is registered, or whether it can be filed in any High Court across the country where the registration's effects are felt.
- b) Whether a rectification petition under Section 57⁶ of the Trademarks Act, 1999, can be filed before the High Court with jurisdiction over the trademark registry office where the mark is registered, or whether it can be filed in any High Court nationwide where the registration has an impact.
- c) Whether an infringement petition under Section 124⁷ of the Trademarks Act, 1999, can be filed before the Registrar of the trademark registry office where the disputed mark is registered.

IV. CONTENTIONS ON BEHALF OF THE PETITIONER:

- a) The Petitioner's Counsel argued that the wordmark 'RAZOFAST' registered by Fast Cure Pharma (Respondent No. 1) infringes on the Petitioner's already registered mark 'RAZO'.
- b) The Court previously ruled in favor of the Petitioner on August 16, 2023, finding that 'RAZOFAST' infringes upon the Petitioner's 'RAZO' mark.
- c) The Petitioner raised the issue of jurisdiction, emphasizing that the Court has the authority to hear this case.

⁵ Supra note 1.

⁶ Supra note 2.

⁷ Supra note 3

- d) To support their argument, the Petitioner cited *Girdhari Lal Gupta v. K. Gian & Co.*, where the Court dealt with a similar issue of jurisdiction.
- e) Based on this case, the Petitioner argued that cancellation and rectification petitions under Sections 47 and 57, along with infringement actions under Section 124 of the Trademarks Act, 1999, may be heard by any High Court where the trademark's impact is felt.
- f) They explained that Sections 47 and 57 allow the Registrar or High Court to modify, cancel, or vary trademarks but do not mandate that the location of the Registrar and High Court must match for jurisdiction.
- g) The Petitioner contended that the Registrar who issued the trademark has authority under Sections 47 and 57, but a High Court may also have jurisdiction if the effects of registration are within its territory.

V. CONTENTIONS ON BEHALF OF THE RESPONDENT:

- a) The Counsel for Respondents No. 1 and No. 2 argued that petitions under Sections 47 and 57 should be filed in the High Court with territorial jurisdiction over the Trademark Registry Office where the disputed trademark was registered.
- b) The Respondent No. 1's Counsel referenced Section 57(2), stating that registration may be canceled or varied if there is a defect or duplication. According to the Counsel, such petitions should be filed with the original Registry Office or the High Court governing that office's jurisdiction.
- c) The Counsel emphasized that the rectification petition should be submitted to the Trademark Registry Office that registered the mark or to the High Court with jurisdiction over that Registry Office.
- d) The Respondents highlighted that Section 57(4)⁸ allows the High Court or Registrar to vary or remove entries regarding trademark registrations. This language implies that

⁸ The Trademarks Act, 1999, § 57(4), No. 47, Acts of Parliament, 1999 (India).

only the High Court with jurisdiction over the Trademark Registry Office where the mark was registered may handle these petitions.

- e) According to the Counsel, Section 57(4)⁹ limits the ability of any High Court lacking jurisdiction over the specific Registry Office to entertain petitions under Sections 47 and 57.
- f) The Counsel also mentioned that Section 58(1)¹⁰ grants the Registrar the power to remove trademark entries upon request by the registered owner. This authority lies with the Registrar who initially approved the trademark, reinforcing that only the Registry Office with initial jurisdiction should handle rectification or cancellation matters.
- g) Respondents argued that Section 124, which addresses infringement suits, fundamentally differs from rectification matters. Hence, the analogy between an infringement suit and a rectification petition is improper.
- h) Respondent No. 1's Counsel disagreed with the interpretation in *Girdhari Lal Gupta v. K. Gian Chand & Co.*¹¹, a case involving jurisdiction over cancellation and rectification petitions. They reserved further comments on the precedent's applicability.
- i) The Counsel for Respondent No. 2 supported the arguments put forth by Respondent No. 1, aligning their stance on jurisdiction and procedure.
- j) The Respondents also pointed to the Ayyangar Committee Report, which analyzed the Trademarks Act, 1940, and suggested modifications. This report emphasized jurisdictional issues similar to those addressed in this case.
- k) Section 2(d) of the Trademarks Act, 1999 defines 'High Court' and implies that petitions may be filed in any High Court. However, the Respondents argued that for rectification and cancellation petitions, the initial jurisdiction should lie with the High Court governing the Trademark Registry Office where the mark was registered.

⁹ Ibid.

¹⁰ The Trademarks Act, 1999, § 58(1)(c), No. 47, Acts of Parliament, 1999 (India).

¹¹ Supra note 1.

- l) The Counsel further argued that the applicant's residence and the location of the Trademark Registry Office influence the initial filing location for trademark registration. Consequently, these factors determine the appropriate High Court for subsequent cancellation or rectification actions.
- m) Finally, the Counsel for Respondent No. 2 argued that petitions for cancellation or rectification must be filed with the High Court holding jurisdiction over the Trademark Registry Office that granted the initial registration.

VI. JUDGMENT OF THE COURT

- a) The Court in the given case observed that Section 57 of the Trademarks Act, 1999 outlines the provisions with regard to the rectification of impugned mark by suggesting certain modifications and removing it from the register of trademarks.
- b) The Hon'ble Delhi High Court also enunciated the need to create a distinction between the petition under Section 124 and Section 57 of the Trademarks Act, 1999 in respect of the competent court entertaining the petitions under both the given sections of the said act.
- c) The Court further laid down that, the Infringement Petition, as provided under Section 124 of the Trademarks Act, 1999 can only be filed in the High Court, whereas, the Cancellation and Rectification Petition can be moved either before the Registrar or the High Court.
- d) The Court also asserted that the law doesn't create any express or implied statutory restriction against any High Court across the country to entertain the cancellation or rectification petition, vis-à-vis, Section 47 and Section 57 of the Trademarks Act, 1999.
- e) The Court also extended the precedent laid down by the full bench of this Court in the previous case of "Girdhari Lal Gupta v. K. Gian Chand & Co."¹² in the year 1977.
- f) The Court also confirmed the existence of two-fold jurisdiction available to the Petitioner, in case of cancellation or rectification petition, in the sense, that both the petitions can be moved before the High Court exercising the territorial jurisdiction over the office of

¹² Supra note 1.

Trademark Registry where such impugned mark has been registered or the High Court where the dynamic effect of registration can be felt.

- g) The Court also pressed upon the ease of trade facilitated by the expanding use of the internet, which in turn, set the litigant on liberty to file an infringement, cancellation, rectification and passing-off suit before any High Court within whose ambit such dynamic effect of registration of impugned mark can be felt.
- h) The said discretion as to the filing of cancellation or rectification petition lies upon the Petitioner or Petitioners, as the case may be. They have to decide the place where such a suit can be filed.

VII. CRITICAL ANALYSIS:

In this case, the Court considered prior judgments on jurisdiction issues. The Court referred to the Latin maxim “*Expressio unius est exclusio alterius*”¹³, which implies that when one High Court is approached under Sections 47 and 57 of the Trademarks Act, 1999, it excludes other High Courts from exercising jurisdiction. However, it noted that the Act does not explicitly restrict jurisdiction to any specific High Court.

The Court relied on the judgment in *Girdhari Lal Gupta v. M/s K. Gian Chand Jain & Co.*¹⁴, which discussed both the static and dynamic effects of trademark registration. The static effect is felt where the Trade Marks Registry granted the registration, while the dynamic effect occurs where the infringement impacts the trademark owner. To determine territorial jurisdiction, the Court analyzed several points:

- a) **Effect of Registration and Cause of Action:** If the registration has a static effect, the case can only be heard where the registration was made. The dynamic effect, however, can impact traders nationwide, causing legal injury where the traders operate.
- b) **Person Interested:** The term “Person Interested” refers to someone affected by the static or dynamic effects of registration. If a person is impacted by the registration, they

¹³ *Expressio unius est exclusio alterius*, Black’s Law Dictionary (11th ed. 2019).

¹⁴ *Supra* note 1.

may approach the High Court with jurisdiction where the injury occurred. This injury could relate to their current or potential future activities.

- c) **Comparison of Section 51-A¹⁵ with Section 53¹⁶:** A slight difference was observed between these sections of the Copyright Act, 1957. Section 51-A allows challenges to the authenticity of the registration, while Section 53 provides for damages to be obtained by the registered proprietor against an infringer. If a connection exists between the damage and the location where it occurred, a suit may be filed in the High Court with jurisdiction over that area. This logic applies similarly under the Trademarks Act.
- d) **Impact of Section 124¹⁷ of the Trademarks Act, 1999:** Section 124 addresses two scenarios: a defendant's objection to the plaintiff's mark and the plaintiff's challenge to the defendant's mark. The Court first decides on the validity of these objections before allowing a party to move to the High Court for a rectification petition. The Court concluded that the Act does not clearly define which High Court holds jurisdiction under Sections 47 and 57, but the dynamic effect of registration within the Court's jurisdiction supports the Petitioner's plea.
- e) **Rule 4¹⁸ of the Trademark Rules, 2017:** Rule 4 outlines the jurisdiction of the Trade Marks Registry but does not limit the High Court's jurisdiction in cases under Sections 47 and 57. The Rule suggests that jurisdiction extends to the area where the petitioner felt the dynamic effect of registration. The legislative intent appears to support multiple High Courts' jurisdiction in cases involving challenges to trademark validity.

While these points are significant in determining the High Court's jurisdiction, it's important to note that this decision was later overruled by the Delhi High Court Full Bench. The Full Bench held that petitions under Sections 47 or 57 should be determined based on the static, not dynamic, effect of registration. This ruling clarified that jurisdiction under the Trademarks Act is connected to the location where the trademark was initially registered, rather than where its effects are felt.

¹⁵ Copyright Act of 1957, No. 14, Acts of Parliament, 1957, § 51-A (India).

¹⁶ Copyright Act of 1957, No. 14, Acts of Parliament, 1957, § 53 (India).

¹⁷ Supra note 4.

¹⁸ Trade Marks Rules, 2017, Rule 4 (India).

The judgment, therefore, reinforces that when dealing with jurisdiction under the Trademarks Act, 1999, the primary factor is the static effect of registration, tying jurisdiction to the Trade Marks Registry's location where the registration occurred, and not to the places impacted by the trademark's use or infringement.

VIII. CONCLUSION

The case focused on determining the High Courts' jurisdiction under Sections 47 and 57 of the Trademarks Act, which address the removal and rectification of trademarks. This issue involves both the static and dynamic effects of trademark registration on the aggrieved or interested person. Previously, a suit could be filed where the person felt the effect of registration, not just where the trademark was registered. However, in February 2024, the Delhi High Court overruled this, ruling that petitions under Sections 47 or 57 should be based on the static effect of registration, determining jurisdiction only where the trademark was initially registered.