

IN THE SUPREME COURT OF BANGLADESH  
HIGH COURT DIVISION  
(SPECIAL STATUTORY JURISDICTION)

**Trade Mark Appeal No. 09 of 2011**

**In THE MATTER OF:**

An Application under section 100 of the Trade  
Mark Act, 2009.

-AND-

**IN THE MATTER OF:**

DANISH FOODS LTD.

..... Appellant

-Versus-

The Registrar, Department of Patents, Designs  
and Trade Marks, Trade Marks Registry Wing,  
Ministry of Industries, Government of Bangladesh,  
91 Motijheel C/A, Dhaka-1000 and another

..... Respondents

Mr. Rokanuddin Mahmud, Senior Advocate with  
Mr. Tanjibul Ul Alam, Advocate

Ms. Tarana Afroze, Advocate

.....For the appellant

Dr. M. Zahir, Senior Advocate with

Mr. Abdul Matin Kashru, Advocate

Mr. Md. Ismail Miah, Advocate

Mr. Shah Muhammad Ezaz Rahman, Advocate

.....For the respondent No. 2.

**Heard on: 22.05.2013,30.05.2013,**

**03.06.2013, 05.06.2013, 06.06.2013,**

**09.06.2013, 11.06.2013 and judgment on:**

**20.06.2013.**

**Present:**

Mr. Justice Md. Ashfaquul Islam

And

Mr. Justice Md. Ashraful Kamal

**Md. Ashraful Kamal, J:**

This appeal was registered as per section 100 of the Trade Marks Act,  
2009, against the order dated 05.07.2011 passed by the Respondent No. 1  
under Section 91(5) of the Trade Mark Act, 2009 in Trade Mark Application

No. 90428 in Class-30 canceling its earlier order dated 8.08.2010 whereby the respondent No. 1 mutated the name of the appellant in place of its predecessor Babar Chaklader by accepting TM-16 dated 14.07.2010 of the Appellant.

Brief facts, necessary for the disposal of this Appeal are as follows;

The Appellant's case is one Q.M. Babar Chaklader, sole proprietor of Chaklader Food Products had been manufacturing, marketing and selling 'spices' with trade mark word RANI in English and Bengali since 2004. Thereafter, on 14.03.2005, the said Babar Chaklader filed an application being No. 90428 before the respondent No.1 for registration of his trade mark 'RANI' in respect of Chilli Powder, Turmeric Powder, Coriander Powder, Cumin Powder and all other goods included in Class-30.

After that, by virtue of Deed of Assignment dated 24.08.2009 and subsequent amendment thereto, the Registrar of the Trade Marks vide its order dated 08.08.2010 mutated the name of the appellant in place of its predecessor Babar Chaklader by allowing TM-16 dated 14.07.2010. Accordingly, appellant became the owner of the trade mark word and device 'RANI'. After that appellant obtained C.M. License (quality control license) from the department of Bangladesh Standard and Testing Institution (BSTI), Dhaka in respect of their RANI branded 'Spices' being C.M. License No. 14883/G-6/2010 and 14884/G-6/2010 dated 21.07.2010.

Thereafter, on consideration of an application filed by the respondent No. 2, the respondent No. 1 Registrar on 05.07.2011 cancelled its earlier order dated 08.08.2010 under section 91(5) of the Trade Marks Act, 2009.

The petitioner came to know that respondent No.2 secretly filed a trade mark application containing deceptive and confusing materials corresponding to similar trade mark word 'RANI' under No. 90755 dated 02.04.2005 in class-30 in the office of the respondent No.1 and got registration on 16.04.2010 inspite of the predecessor of the petitioner's prior application in the same class being No. 90428 dated 14.03.2005.

Being aggrieved by the said order dated 05.07.2011 passed by the respondent No. 1 in Trade Mark Application No. 90428 in Class-30, the appellant preferred this appeal under section 100 of the Trade Mark Act.

The Respondent No.2 contested the appeal stating inter alia that the Family Food Industries filed Trade Mark Application No. 90755 dated 02.04.2005 in Class-30 as per Trade Marks Act, 1940 for registration of Trade Marks, which was accepted. After that the Registrar issued the order of advertisement in the Trade Marks journal under section 15(1) of the Trade Mark, which was communicated to the Family Food Industries vide memo No. 8831/2007 dated 24.04.2007 directing the respondent Rani Food to deposit requisite fee and the negative of the mark before the Trade Mark Registrar for publishing the said Trade Mark Application. Accordingly, Family Food Industries submitted requisite fees and other things to the Registrar for publishing the said Trade Mark Application in the Trade Marks journal. Thereafter, it was published at page 2189 of the Trade Marks Journal No. 244 for the month of October-December/2007. Against the said publication, one Remfry & Son Limited filed a notice of opposition (T.M-5) on behalf of Aujan Industries Co. (L.L.C). Saudi Arabia following an

assignment from Rani International Inc. of 244 whittier Circle Orlando, Florida 23306, U.S.A.

Thereafter, Family Food Industries on receiving the duplicate copy of the said T.M-5 filed counter statement (T.M-6) as per Rule 32 of the Revised Trade Mark Rules 1963. On receiving the said counter statement Aujan Industries Co. (L.L.C) did not file evidence in support of opposition (T.M-6) as per Rule 32 of the Revised Trade Marks Rules, 1963 and they took several adjournments for adducing evidence. Ultimately, the Assistant Registrar-4 by order dated 17.01.2010 declared the Opposition Case No. 2423 of 2009 abandoned and directed to proceeded the Trade Mark Application No. 90755 in class-30. Thereafter, the opponent of the said Opposition Case No. 2423 of 2009 Aujan Industries filed Review Petition under section 151 of the Code of Civil Procedure wherein Family Food Industries Ltd. filed written objection. The Assistant Registrar-4 on 24.03.2010 after hearing both the sides rejected the said review petition and issued registration certificate of registered Trade Mark No.90755 dated 02.04.2005 in Class-30. Thereafter, on an application dated 01.06.2010 filed by the Family Food Industries Limited on form T.M-33, the Assistant Registrar change in the Register as RANI Food Industries Ltd. After publishing the Trade Mark Application No. 90755 in Class-30 in the Trade Mark Journal No. 244 for the month of October-December, 2007 at page 2189, the learned Advocate A.B.M Shamsud Doulah on behalf of his client filed application on Form T.M-55 seeking time for filing opposition (T.M-5) against the Trade Mark Application No. 90755 in Class-30 and the Opposition Case No. 2425 of 2009 was started and ultimately did not file

any opposition and as a result the Assistant Registrar -4 by order dated 04.06.2009 dismissed the Opposition Case No. 2425 of 2009 which was communicated to the learned Advocate of both sides by letter dated 08.06.2009.

Mr. Rokanuddin Mahmud the learned senior Advocate appearing along with Mr. Mr. Tanjibul-Ul Alam, Ms. Tarana Afroze, learned Advocates for the appellant submits that while granting registration certificate to Rani Food Industries Ltd., the Trade Mark Registrar did not carry out a complete search under Rule 23. Next, he submits that while issuing show case notice to Family Food Industries (Rani Food Industry) during the process of search, the Registrar failed to mention the application No. 90428 dated 14.03.2005, which was the application filed by the predecessor of the petitioner. Since the application for registration of trade mark 'Rani' filed by the Babar Chaklader is prior to the application of Family Food Industries (Rani Food Industry), the Registrar is duty bound to consider the application of Babar Chaklader while processing the application of Family Food Industries. Lack of such reference clearly demonstrates that while granting registration of trade mark to Rani Food, the search was incomplete and such incompleteness is fatal to the registration process. In this regard he has cited a decision in the case of M. A. Taher Sikder V-Registrar reported in 11BLT-HCD 2003(194).

Mr. Mahmud further submits that no show cause notice dated 10.04.2007 under section 14(1) of TA 1940 was ever served upon the Babar Chaklader (Applicant of Application No. 90428 dated 14.03.2005). In the

absence of any such service of notice upon the Babar Chaklader, the question of deemed lapse under Rule 24 does not arise at all.

He also submits that the mark was never abandoned as no order has been passed in the order sheet of Application 90428 dated 14.03.2005, therefore, the question of application for restoration by giving TM 56 does not arise at all.

Mr. Rokanuddin Mahmud further submits that as per section 30 of Trade Marks Act, 1940 and section 35 of Trade Marks Act, 2009 an unregistered trade mark can be assigned with good will. But, the Registrar by his order dated 05.07.2011 manifestly acted erroneously in holding the view that the unregistered trade mark 'RANI' was assigned to Danish Food by Babar Chaklader in pursuance of a Power of Attorney. Whereas the record shows that the assignment took place in pursuance of an Assignment Agreement, under which good will as well as the trademark RANI was assigned to Danish Food. The fact that it was sold only for Taka 20,000 (twenty Thousan) cannot be taken as a ground for denial of the assignment as the issue of consideration is a matter between the contracting parties. Under the Contract Act, 1872 there is no requirement that consideration must be sufficient.

Mr. Rokanuddin Mahmud further submits that the Registrar issued show cause notice to Babar Chaklader on 10.04.2007, which was 2 (two) years after his application dated 14.03.2005. This delay blatantly proves that the Registrar failed to comply with Rule 23 by making incomplete charge in the Registrar. He further submits that admittedly till 10.04.2007 the application of Babar Chaklader was alive so the registrar failed to consider

the application 90428 in class-30 as prior one while giving show cause notice to RANI Food on 02.05.2006. This loan aspect is sufficient to strike off the trademark registration given to Rani Food.

Mr. Mahmud further submits that according to section 20 (1) of Trade Marks Act, 2009, registration of a trade mark shall be effective from the date of application and admittedly Rani Food submitted its application on 02.04.2005 and it has been admitted by Rani Food that it has never used the trade mark RANI till to date, therefore, on the face of the record, the trade mark RANI has not been used for more than 5 years from the registration and as such provision of Section 51 shall be attracted and the argument put forward by Rani Food that it has been prevented from using the trademark due to lack of gas connection is not tenable and therefore would not be a valid ground of defence. In this regard Mr. Mahmud refer Nabisco Biscuit & Bread Vs. Baby Food Products Ltd. 28 (2008) BLD (HCD) 304.

Mr. Mahmud finally submits that fraud has been committed by Family Food Industry at the time of submitting its application for registration of the mark RANI by making a specific statement in TM-1 that it had been using the mark, whereas, admittedly Family Food Industry never used the said mark at the time of submits its application TM-1 or prior to submitting the said application. The mark RANI was registered in the name of the respondent without any bonafide use on their part which is an admitted fact as per Order dated 14.10.2010. Admittedly Rani never manufactured, marketed and sold any spices with the trade mark 'RANI' which is yet to be manufactured till filing for registration. Since fraud vitiated everything, there is no scope to allow Rani Food to continue its registration of trade mark,

which was obtained by making false statement. He cited in respect of the 61 DLR(AD)-

Dr. M. Zahir the learned senior Advocate appearing alongwith Mr. Abdul Matin Kashru, Mr. Md. Ismail Miah, Mr. Shah Muhammad Ezaz Rahman, the learned Advocates for the respondent No.2 on the other hand submits that Trade Marks registry issued notice dated 10.04.2007 under section 14(1) asking Babar Chaklader to show cause within 3(three) months as to why his TM application being No. 90428 should not be rejected and the registrar got authority to issue such notice but Babar Chaklader did not give any reply to the said show cause notice as such his application (TM 90428) was abandoned by operation of law under rule 24(2) of the Trade Marks Rules, 1963 and no further reference to the applicant is necessary under the said sub-rule (2) of Rule 24.

Dr. Zahir further submits that abandonment under rule 24(2) of the Trade Marks rules 1963 is different from abandonment under section 16(3) of the Trade Marks Act, 1940. A trade mark application becomes abandoned under rule 24(2) before acceptance of the application for registration and in such a case no further reference to the applicant is required under law. On the other hand, a trade mark is abandoned under section 16(3) with prior notice to the applicant if the registration is not completed within 12(twelve) months from the date of application. Section 16(3) must be read in conjunction with section 16(1) which makes it clear that such abandonment takes place only when the application has been accepted.

Dr. Zahir further submits that neither Babar Chaklader nor the appellant filed any application on TM-56 within 2(two) months under rule

24(3) of the Trade Marks Rules, 1963 for restoration of TM application 90428. He also submits that since TM application never restored by the applicant by filling TM-56 under rule 24(3) there is no scope for change the name etc. in TM application No. 90428 inasmuch as mutation in an abandoned TM application is not possible unless and until it is restored to its file as per the provisions of law.

He also submits that mutation and restoration are two different things. Mutation is done by filing TM-16. On the other hand an abandoned application is restored by filing TM-56. Mutation is not possible as long as an application remains abandoned and not restored as per the provisions of law.

Dr. Zahir further submits that since the TM application No. 90428 filed by the Babar Chaklader was abandoned in 2007 and never restored, thereafter, the said application cannot be treated as a pending application before the Trade Mark Registry and as such, section 127 of the new Trade Marks Act, 2009 does not apply to the present case. Accordingly, the Registrar Trade Mark is under no obligation to give notice to the petitioner under section 91 of the new Act and no formal cancellation by the Trade Mark Registry is required under law.

He submits that for the purpose of use of a trade mark under section 42 of the new Act the limitation should be considered from the actual date of registration and not from the date of application and the mark of RANI Food Industries was registered on 26.08.2010 hence the 5(five) years time limit is yet to expire so as to attract the provisions of section 42.

Finally, Dr. Zahir submits that under section 35(1) of the Trade Mark Act, 2009 an unregistered TM is assignable and transmissible only in connection with the goodwill of a business. There is no scrap of document to show that the petitioner's predecessor was in any business in relation to which the TM was being used and therefore, no question of assignment and transmission of good will of the business arises at all. Moreover, Babar Chaklader assigned the trade mark in 2009 on a false statement that his trade mark application was pending disposal before the Trade Marks Registry while the application stood abandoned back in July, 2007.

This Trade Mark Application has been hotly contested and the learned Advocates on both sides have debated the points raised therein at sufficient length.

In this case, the admitted position is that the application No. 90428 in Class-30 has been filed on 14.03.2005 by the appellant whereas for the identical mark the application No. 90755 in Class-30 has been filed by the respondent No.2 on 02.04.2005.

It will be admitted that on 10.04.2007 a show cause notice was served upon the appellant as per section 14(1) of the Trade Mark Act, 1940 at the instance of the respondent No.1 whereby the appellant was given 3(three) months time as to why his application should not be rejected since it is likely to deceive or to cause confusion as per section 8(1) of the Trade Mark Act, 1940, in default, his application be treated as rejected/abandoned.

It is also profitable to quote the notice dated 10.04.2007 which runs thus;

“ গণপ্রজাতন্ত্রী বাংলা-দশ সরকার  
-প-টস্ট, ডিজাইন ও ট্রেড মার্ক অধিদপ্তর  
মতিঝিল বা/এ, ঢাকা।

নং অর্ডার ৮০৫৭ তারিখঃ ১০/৪/২০০৭

প্রাপকঃ Chaklader Food Products  
14/A, K.M. Das Lane  
Dhaka

বিষয়ঃ ট্রেড মার্ক দরখাস্ত নং- 90428 শ্রেণী 30

আ-বেদনকারীর নাম-----

জনাব,

উপরোক্ত বিষয়ে আপনার আবেদনপত্র খানা পণ্য প্রতীক  
এ্যাক্ট, ১৯৪০ এর ধারা ৪(a) ----ম-ত নিম্নবর্ণিত বিবাদমান প্রতী-কর  
কারণে কেন প্রত্যাখান করা হইবে না তাহার উপযুক্ত কারণ দর্শানোর  
জন্য আদেশক্রমে বলা হইয়াছে।

পণ্য প্রতীক	আবেদনপত্র নং	দ্র-ব্যর বিবরণ	নাম ও ঠিকানা
Rani	88972	All goods	M/S. Shuron Tea Fatuly N. gonj
Do	9466	Flour	Brother Flour Mill, Noakhali.
Do	70555	Chonechour	Acher, Biscuits, Chowdhury Food, Jessore.
Do	40447		M/S. Maksud (Illegible) CO. 142/A, South Mirpur, Dhaka

আপনি/আপনার উপরোক্ত বিষয়ে লিখিতভাবে উপযুক্ত জবাব প্রদান করিতে পারেন অথবা  
শুনানীর প্রার্থনা করিতে পারিবেন। আগামী ৩(তিন) মাসের মধ্যে লিখিতভাবে উপযুক্ত জবাব  
দি-ত অথবা শুনানী দাবী করিতে ব্যর্থ হইলে আপনার/আপনাদের আবেদনপত্রটি  
পরিত্যক্ত/প্রত্যাখ্যাত বলিয়া গণ্য হইবে।

স্বাক্ষর/অস্পষ্ট

প-স্ক-রেজিস্ট্রার, পে-টস্ট, ডিজাইন ও ট্রেড মার্কস অধিদপ্তর, ঢাকা।”

It is also admitted that though the appellant received the aforesaid notice dated 10.04.2007 duly, but failed to reply within the time mentioned in the said notice i.e. 3(three) months.

Rule 22 to 25 of the Trade Marks Rules 1963 deals with “**PROCEDURE ON RECEIPT OF APPLICATION FOR REGISTRATION OF A TRADE MARK**”, which runs thus;

*Rule 22- Acknowledgment of receipt of application. Every application for the registration of a trade mark in respect of any goods shall, on receipt, be acknowledged by the Registrar.*

*Rule 23- **Search.** Upon receipt of an application for the registration of a trade mark in respect of any goods the Registrar shall cause a search to be made amongst the registered marks and amongst the pending applications for the purpose of ascertaining whether there are on record in respect of the same goods or description of goods any marks identical with the mark sought to be registered or so nearly resembling it as to deceive or cause confusion and the Registrar may cause the search to be renewed at any time before the acceptance of the application, but shall not be bound to do so.*

*Rules 24- **objection to acceptance-Hearing.** (1) If, on consideration of the application, and of any evidence of use or of distinctiveness or of any other matter which the applicant may or may be required to furnish the Registrar has any objection to the acceptance of the application or proposes to accept it subject to such conditions, amendments, disclaimers, modifications or limitations as he may think right to impose, the Registrar shall communicate such objection or proposal in writing to the applicant.*

*(2) Unless within 2(two) months from the date of the communication mentioned in sub-rule(1), the applicant alters his application according to the proposal aforesaid, or sends his observations to the Trade Marks Registry or applies for a hearing, the application shall be deemed to have been abandoned and no further reference to the applicant shall be necessary.*

*(3) An application which is treated as abandoned under sub-rule (2) or sub-section (3) of section 16 may be restored 3[within two months] to file on sufficient cause being shown to the satisfaction of the Registrar and on an application to that effect being made in Form TM-56 accompanied by a statement of the case.*

*Rule 25-**Decision of Registrar.** (1) The decision of the Registrar at a hearing under rule 24 or without a hearing if the applicant has duly communicated his observations in writing, and has stated that he does not desire to be heard, shall be communicated to the applicant in writing, and if the applicant intends to appeal from such decision he may within one month from the date of such communication apply on Form TM-15 to the Registrar requiring him to state in writing the grounds of and the materials used by him in arriving at, his decision.*

*(2) In a case where the Registrar makes any requirements to which the applicant does not object, the applicant shall comply therewith before the Registrar issues a statement in writing under sub-rule(1).*

*(3) The date when such statement is sent shall be deemed to be the date of the Registrar's decision for the purpose of appeal.*

In the present case, it is evident from the record that the Registrar after receipt of the petitioner's application dated 14.03.2005 for the registration of the Trade Mark 'RANI' made search as per Rule 23 and then issued notice under section 14(1) of the Trade Marks Act, 1940 read with Rule 24(1) of the Trade Marks Rules, 1963.

If an applicant in response to a notice issued upon him under Section 14(1) of the Trade Marks Act, 1940 read with Rule 24(1) of the revised trade Marks Rules, 1963 does not take any steps, the Registrar under Rule 24(2) shall treat the application as abandoned after the expiry of 90 days from the date of receipt of the notice.

In the present case, the petitioner after receipt of the notice under Section 14(1) of the Trade Mark Act, 1940 did not send his observations in writing to the Trade Marks Registry as per sub rule-2 of Rule 24 nor he has stated that he applied for a hearing and as such it becomes clear that the application must be deemed to have been abandoned and no further reference/communication to the applicant shall be necessary.

The Rule is procedural no doubt, but is mandatory and non-compliance of the same renders the application to be treated as abandoned as provided by sub rule (2) of Rule 24 of the Revised Trade Marks Rules, 1963.

Therefore, it has been held that non-compliance with the sub rule (2) of Rule 24 of the Revised Trade Marks Rules, 1963 will lead to the inference that the applicant of the application dated 14.03.2005 (appellant) has nothing to say in rebuttal against the said notice dated 10.04.2007 under Section 14(1) of the Trade Marks Act, 1940 sent by the Registrar.

Since no observation sent or application made for hearing either within the time mentioned in the notice or in the prescribed manner, the inference would be that the same have been waived.

When any such application became abandoned for non compliance of sub rule (2) of Rule 24, then the applicant can restore his application by

filing application as per Rule 24(3), which is for restoration of the said abandonment being made in Form TM-56 accompanied by a statement of the case. The intention of the legislature was to give further opportunity to the applicant, whose, application was so abandoned for non compliance of section 16(3) or Rule 24(2). But this has not been done here.

Despite the fact, that as per Rule 76, the Registrar has the discretion to extend time in taking any steps by any party before him and in the present case the appellant could take advantage of that Rule by filing TM55 praying for condonation of delay in filling such restoration application in time but they have not done so.

Therefore, the application of the predecessor of the appellant was abandoned on 16.07.2007, after expiry of the three months from the date of show cause notice dated 10.04.2007. Thus the Registrar rightly proceeded with the application filed by the respondent No. 2.

Moreover, the appellant did not come before this Court with clean hands. Because, in the paragraph 4 of this Trade Mark Application, appellant has stated that the predecessor of the appellant (Md. Babar Chaklader) had been manufacturing, marketing and selling 'Spices' with trade mark word 'RANI' since 2004. But in the application dated 14.03.2005, Babul Chaklader himself stated that the mark is being used since March, 2005.

Despite the fact the power of attorney by declaration of affidavit before the Notary Public, Dhaka dated 20.08.2009 (Annexure-1) and the deed of assignment dated 24.08.2009 (Annexure-2) are self contradictory and the Annexure-1 and 2 clearly proved the fraudulent acts of the appellant.

On the conspectus of the observations as made above the inevitable result that follows is that this appeal fails.

In the result, the appeal is dismissed. The order dated 05.07.2011 passed by the respondent No.1 Registrar is hereby upheld.

Communicate this judgment and order at once.

**Md. Ashfaqul Islam, J:**

I agree