

NAVIGATING TRADEMARK REFUSAL AND THE APPEAL PROCESS IN INDIA

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Introduction

A trademark is a distinctive sign that identifies and distinguishes the goods or services of one entity from those of others. The Trade Marks Act, 1999 governs the registration, protection, and enforcement of trademarks in India. However, not all trademark applications are accepted. The Registrar of Trademarks may refuse an application based on various grounds, including lack of distinctiveness, similarity to existing marks, or violation of statutory provisions. When a trademark application is refused, the Applicant/proprietor of Trademark has the right to file an appeal and challenge the decision at the Trademark Registry as well as High Court. The appeal process allows Applicant/ proprietor of Trademark to present arguments, and seek reconsideration of the application for Acceptance as per Trademark Law. This article explores the reasons for trademark refusal, the appeal process at Trademark Registry as well as High Court under the Trade Marks Act, 1999, and Trade Marks Rules, 2017, along with key judicial precedents that have shaped trademark law in India.

Grounds for Trademark Refusal:

The Trademarks Act, 1999, outlines several grounds for refusal, broadly categorized as absolute and relative grounds.

1. **Absolute Grounds (Section 9):** These grounds relate to the inherent characteristics of the mark itself.
 - **Lack of Distinctiveness:** Trademarks that are generic or common in trade cannot be registered. *For Instance:* “Sugar” for a sugar brand. In the case of *Sh. Rajesh Kumar Gupta (Shimlawala) vs The Registrar Of Trade Marks, C.A.(COMM.IPD-TM) 47/2021*, an appeal under Section 91 of the Trademarks Act, 1999, challenged the refusal of the trademark application for “GOMTI HD ROYAL” under Class 34. The refusal was based on objections under Sections 9(1)(a) and 11(1)(a), citing lack of distinctiveness and similarity with existing marks. The Delhi High Court found the rejection under Section 11 unsustainable as the appellant owns prior registrations for “GOMTI”. It also ruled that adding “HD ROYAL” does not render the mark non-distinctive under Section 9. The appeal was allowed, directing the Trademark Registry to advertise the application while clarifying that no exclusive rights exist over “HD” or “ROYAL” individually.
 - **Descriptive Trademarks:** Trademarks that describe the nature, quality, or intended purpose of goods or services are not registrable unless they acquire distinctiveness. *For Instance:* “Best Quality” for a clothing brand. Descriptive marks are not inherently distinctive and cannot be registered as trademarks unless they acquire “**secondary meaning**”. Secondary meaning occurs when the public associates the descriptive mark with a particular source, rather than the product or service itself. *For Instance:* “Holiday Inn” to describe hotels.
 - **Deceptive or Scandalous Marks:** Trademarks that are misleading or offensive are refused. *For Instance:* Any mark resembling a government emblem.
 - **Marks Contrary to Public Policy or Morality:** Any mark promoting illegal activities or offensive content will be refused. *For Instance:* In a recent case the Trademark Registry withdrew the

acceptance of Trademark “Chutiyaaram” for a namkeen brand, citing potential objections under Sections 9, which prohibit mark contrary to public policy or morality.

2. **Relative Grounds for Refusal (Section 11):** Section 11 prohibits trademarks that may cause confusion due to similarity with existing registered trademarks.

- **Likelihood of Confusion:** A mark that is identical or similar to an earlier registered trademark for similar goods/services is refused.
- **Well-Known Trademarks:** A mark that dilutes or damages the distinctiveness of a well-known trademark is refused.
- **Passing Off and Bad Faith:** Applications made in bad faith or to take advantage of an existing mark will be refused.
- The use of the applied mark is liable to be prevented by virtue of the law of copyright.

TRADEMARK APPEAL

After a trademark application is filed, the Examination Report is issued. If objections are raised, the applicant must submit a reply within one month from the receipt of the report providing legal and factual arguments justifying the registration. If the response is satisfactory, the Registrar may accept the mark. If objections are not satisfactorily addressed, the Registrar issues a Show Cause Notice and grants a hearing. The applicant must present arguments in person or through a legal representative. If the Registrar remains unsatisfied, a refusal order is issued.

Process of Filing an Appeal Against Trademark Refusal at Trademark Registry:

Section 127(c) of the Trademarks Act, 1999 grants the Registrar of Trademarks the authority to review his own decisions upon receiving an application made in the prescribed manner. This provision ensures that parties affected by the Registrar’s decisions have a statutory recourse to seek reconsideration. An application for review must be submitted to the Registrar using Form TM-M within one month from the date of the decision. However, recognizing practical constraints, the Trademark Law also provides a limited extension, allowing an additional period of up to one more month, provided that the applicant submits a formal request and the Registrar grants the extension at his discretion. A crucial requirement for the review application is that it must be accompanied by a statement detailing the specific grounds on which the review is sought. These grounds may include errors apparent on the face of the record, misinterpretation of facts or law, or procedural irregularities. The Registrar’s power to review his own decision is discretionary and not automatic, meaning that a mere disagreement with the decision is insufficient—substantive reasons must be demonstrated to justify the review.

Process of Filing an Appeal Against Trademark Refusal at High Court:

If the Registrar refuses to register a trademark, the applicant has the right to appeal at the High Court as well. It is submitted that the applicant has the right to file an appeal directly before the High Court following the refusal of a trademark application or after the completion of the review process, in accordance with Section 127(c) of the Trademarks Act, 1999. The process is governed by Section 91 of the Trade Marks Act, 1999. As per Section 91 of the Trademark Act, the appeal must be filed within three months from the date of refusal along with the refusal order, affidavit, evidence supporting distinctiveness.

In the case of **Honasa Consumer Limited represented by Lexport v. Registrar of Trade Marks, C.A.(COMM.IPD-TM) 40/2023**, the Delhi High Court addressed an appeal challenging the refusal of the trademark “THE DERMA CO”. The Senior Examiner of Trade Marks had refused registration citing the existence of prior Trademark and a likelihood of confusion under Section 11(1) of the Trade Marks Act, 1999 and maintained the same stance during the review hearing. The Applicant approached the Hon’ble High Court under Section 91 of the Trademark Act, 1999. The Court overturned the refusal order and directed the Registrar of Trade Marks to accept and advertise the mark.

End Note:

Trademark refusal is a common hurdle faced by Applicant in India, often arising due to objections related to similarity with existing marks, lack of distinctiveness, or non-compliance with statutory requirements under the Trade Marks Act, 1999. However, the well-established legal principle “*ubi jus ibi remedium*”—which means “*where there is a right, there is a remedy*” ensures that applicants and proprietors have multiple legal avenues to challenge such refusals and seek protection for their trademarks. The Trade Marks Act, 1999, and the Trade Marks Rules, 2017, lay down a structured mechanism to appeal against refusals, ensuring that applications receive fair and just consideration. The first step in challenging a refusal is typically to file a review application before the Registrar of Trade Marks under Section 127(c), requesting a reconsideration of the decision. If the review does not yield a favorable outcome, the applicant can file an appeal before the High Court under Section 91 of the Trade Marks Act, where the refusal can be challenged based on legal and factual grounds. Effectively navigating the appeal and review process is essential for protecting valuable brand assets, as trademarks serve as a business’s identity and a symbol of goodwill in the market.
