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(TM) Application No.11 of 2024 &  
(T) O.P.(TM) No.471 of 2023



In the High Court of Judicature at Madras

Reserved On: <b>29.1.2026</b>	Delivered on: <b>04.2.2026</b>
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Coram :

The Honourable Mr.Justice N.ANAND VENKATESH

(TM) Application No.11 of 2024 &  
(T) O.P.(TM) No.471 of 2023

M/s.Amit Agarwal Trading as  
M/s.Seetu Electicals, No.36,  
Govindappa Naicken Street,  
Opp. - A.K.R. Parcel Service,  
Chennai- 600001.

...Applicant in the  
application & R1  
in the O.P.

Vs

M/s.Hitesh Kumar Rastogi (Trading as  
M/s.Avon Electrical Industries), A92,  
Sudershan Park, Near Moti Nagar,  
New Delhi-110015.

...R1 in the  
application &  
petitioner in the  
O.P.

The Registrar of Trademarks,  
Boudhik Sampada Bhawan  
GST Road, Guindy, Chennai-32.

...R2 in both  
application & O.P.

ORIGINAL PETITION No.471 of 2023 praying to remove/rectify/  
expunge the entry pertaining to the impugned trademark ORBIT THE  
CABLE PEOPLE (Device) registered under No.1065474 in Class 9 in the

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name of Mr.Amit Agarwal trading as M/s.Seetu Electricals addressed at No.36, Govindappa Naicken Street, Opp. - A.K.R. Parcel Service, Chennai-1, India from the register or rectification of the register under Section 47/57/125 of the Trade Marks Act, 1999

APPLICATION No.11 of 2024 under Section 124 of the Trade Marks Act, 1999 praying to dismiss the present rectification petition as not maintainable.

For Applicant in A.No.11 of 2024  
& R1 in O.P.No.471 of 2023 : Mr.M.S.Bharath

For R1 in A.No.11 of 2024 &  
Petitioner in O.P.No.471 of 2023 : Mr.Somnath De for  
M/s.K.G.Bansal &  
Sharavankumar

For R2 in both the application  
& the OP : Mr.A.R.Sakthivel,  
CGSC

### COMMON ORDER

Application No.11 of 2024 has been filed under Section 124 of the Trade Marks Act, 1999 (for short, the Act) to dismiss the rectification petition filed in O.P.No.471 of 2023.

2. Heard both.



3. The facts leading to filing of the present application are as

follows:

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(i) The first respondent in A.No.11 of 2024 filed the main original petition for removal of the trade mark "ORBIT THE CABLE PEOPLE (DEVICE)" registered under No.1065474 in Class 9 on the ground that they are engaged in the business of manufacturing, marketing and trading of electrical lighting bulbs including CFL and LED lightings, that in the year 2002, they commenced the business of manufacturing and marketing of machines and motor tools and adopted the trade mark/label 'ORBIT' in relation to the said goods, that this trade mark was extended for other products also in the year 2008, that the first respondent obtained registration of the trade mark 'ORBIT' in Class 11 and that it is valid, legal, subsisting and is in force by virtue of the said registration.

(ii) The first respondent raised further grounds that apart from the above registration of the trade mark, the first respondent had also filed various other applications, which are pending consideration seeking for device and word mark 'ORBIT', that they are continuously promoting their goods and business under the trade mark/label "ORBIT" and that it has become their distinct indicium, goods and the business they conduct. Thus, the first respondent is claiming that the



trade mark/label is a well known trade mark.

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(iii) The grievance of the first respondent was that the applicant herein had adopted an identical/deceptively similar trade mark in relation to their goods. Hence, the first respondent filed the petition before the Intellectual Property Appellate Board, Chennai for rectification and for the removal of the trade mark registered in the name of the applicant herein. The petition filed by the first respondent was transferred to the file of this Court and renumbered as (T) O.P. (TM) No.471 of 2023.

(iv) During the pendency of the said original petition, the present application has been filed by the applicant under Section 124 of the Act on the ground that there are several proceedings pending between the same parties before the Trade Mark Registry both at Chennai and at Delhi, that the applicant filed a suit against the first respondent for infringement and passing off of the trade mark "ORBIT" before the Additional Court, Patiala House Courts (PHC), Delhi, which is numbered as C.S.(Comm.) No.278 of 2019 and that similarly, the first respondent herein, which is the petitioner in the main original petition, instituted a suit against the applicant herein in O.S.No.301 of 2019 before the very same Court for infringement and passing off of the trade mark "ORBIT", that after completion of the pleadings, the issues



were framed by the Trial Court on 03.3.2022.

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(v) The specific case of the applicant is that there is no particular issue on the invalidity of the trade mark registrations of the applicant and that similarly, even in the suit that was filed by the first respondent, they have not raised a plea for invalidity of the trade mark registrations belonging to the applicant and that the plea of invalidity of the trade mark registrations is not even a subject matter in both the suits. Considering the above scenario, application No.11 of 2024 has been filed under Section 124(1) of the Act for dismissing the main rectification petition in O.P.No.471 of 2023.

(vi) According to the applicant, in the absence of the issue relating to the invalidity of the trade mark registrations of the applicant, the first respondent cannot initiate the rectification proceedings questioning the validity of the trade mark registrations granted in favour of the applicant.

4. The learned counsel appearing on behalf of the first respondent submitted that already an application has been filed under Section 124 of the Act before the Trial Court for framing an issue touching upon the applicant's trade mark and it is pending, that the main petition can wait for the decision to be taken by the Trial Court in



that application and that if required, directions may be issued by this Court to dispose of the application filed by the first respondent under Section 124 of the Act.

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5. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available on record.

6. The scope and ambit of Section 124 of the Act was considered in detail by a learned Single Judge of this Court in the decision in **King Point Enterprises Co.Ltd. Vs. Maarg India [Application No.3981 of 2023 in C.S.No.163 of 2018 vide order dated 04.8.2023]** wherein the relevant portions read thus:

*"5. In light of these submissions, the statutory scheme in relation to the following situations should be noticed: (i) both a civil suit and rectification petition are pending; or, (b) pending suit, a rectification petition is proposed to be filed. Under the Trade Marks Act, the power of rectification is vested both on the statutory authority/ Registrar and the High Court. Therefore, in order to obviate a situation where a decision of the Registrar on the validity of registration could become binding on a civil court (i.e. District Court or High Court exercising original jurisdiction, as the*



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*case may be); in cases where the validity of registration of the plaintiff's trademark is questioned by way of a defence in an infringement action or where the civil court concludes that the plea of invalidity of the relevant trade mark is prima facie tenable and, therefore, permits the filing of a rectification petition, the rectification petition is required to be filed only in the High Court and not before the Registrar (Sections 124(1)(a) or (b)(ii) and 125(1) of the Trade Marks Act).*

*6. Sub-Sections (1) and (2) of section 124 of the Trade Marks Act provide for the stay of a suit/ stay of trial of a suit for infringement of a trade mark only if the defendant or plaintiff, as the case may be, pleads that the registration of the counter party's trade mark is invalid and initiates proceedings for rectification. Such rectification petition may be filed prior or subsequent to the suit. If the rectification petition is filed subsequent to the suit, by virtue of the judgment in Patel Field Marshal, leave of the civil court is necessary so as to preclude the filing of frivolous rectification petitions, especially to frustrate the prosecution of a suit. As is evident from Section 57 read with Section 124 of the Trademarks Act, the statutory intent is that the validity of registration of the trade mark should be decided only in the rectification action and not in the civil suit. Since the civil court (the jurisdictional district court or high court exercising original jurisdiction) and rectification*



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*forum (the Registrar or the High Court concerned) may be different or the forum may be the same (the High Court) but the judge may be different, the statute provides for a stay of the civil suit so as to preclude inconsistent conclusions. In such situations, the issue of validity of registration of the trade mark is required to be decided first in the rectification petition before the infringement suit is decided because the validity of registration would be the foundation of the infringement action. Therefore, subsection (4) of section 124 provides that the final order in the rectification proceeding shall be binding on the parties and that the civil court should dispose of the suit in accordance therewith insofar as it relates to the validity of the registration of the trademark. This leads to the inference that the civil suit should be stayed and the rectification petition should be decided prior to the infringement action if either forum or adjudicator of the civil suit and rectification petition are different.*

*7. On the contrary, in a situation where both the civil suit and the rectification petition are pending before the same forum and judge, as in this case, there is no likelihood of inconsistency. Additionally, the manner in which the suit and rectification petition are dealt with, by consolidation or otherwise, may be tailored to meet the specific requirements of the proceedings before the Court while also satisfying the mandate of sub-section (4) of Section 124. By way of illustration, if the civil*



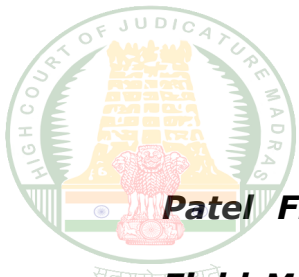
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*suit is only for infringement and the defence of invalidity of registration of the trade mark is raised in such suit and is accompanied by a prior or subsequent rectification petition, it may be appropriate to frame and decide a preliminary issue on the validity of the registered trade mark because the fate of the suit would hinge thereon. On the other hand, if the civil suit is both for infringement and passing off, the decision on the validity or otherwise of the registered trade mark would impact the suit only insofar as it relates to infringement, but would have no bearing on the relief of passing off. In such cases, a joint trial would be appropriate albeit by framing issues and directing the conduct of the joint trial in such manner as to enable the petitioner in the rectification petition to first lead evidence on the alleged invalidity of the registered trade mark. There would be no purpose or necessity to stay the suit in any of these circumstances. Most importantly, if the procedure is tailored to suit the specific requirements in the manner aforesaid, the statutory mandate would be adhered to both in letter and spirit. It would also promote the just and expeditious resolution of commercial disputes, which is in consonance with the objects of the Commercial Courts Act.”*

7. In the said order dated 04.8.2023, the learned Single Judge of this Court, after considering the judgment of the Hon'ble Apex Court in



**Patel Field Marshal Agencies Vs. P.M.Diesels Limited (Patel Field Marshal) [reported in (2018) 2 SCC 112]**, held that where

the rectification petition is filed subsequent to the filing of a suit, leave of the civil court is necessary so as to preclude the filing of frivolous rectification petitions especially to frustrate the prosecution of a suit.

8. Useful reference can also be made to yet another order passed by the very same learned Single Judge of this Court in **Nalli Sambbasivam Trading as M/s.Nalli's Silks Sari Centre Vs. M/s.Nalli Chinnasamy Chetty [(T)O.P.(TM).Nos.263 and 264 of 2023 dated 18.10.2023]** wherein the relevant portions read thus:

*"10. The right to apply for rectification is conferred on a party both under Sections 47 and 57 of the Trade Marks Act. The right under Section 47 is available on the ground of no bona fide use of the relevant trade mark for a period longer than the period prescribed by the statute. Section 57, on the other hand, is applicable when a person seeks cancellation or variation of the registration of a trade mark on the ground of any contravention or failure to observe a condition prescribed in relation thereto or even when a person is aggrieved either by an entry or omission in the register. Thus, Section 57 is wide in scope and not limited to a situation where a person alleges invalidity of registration of a trade mark. Section 124, by*



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*contrast, is attracted only under the limited circumstances set out therein and Section 124(1) (a)/ (b)(ii) prescribes the conditions subject to which a party may apply under Section 57 for rectification after a civil suit was filed for infringement. In other words, the statutory right to apply for rectification is contained in Sections 47 and 57 of the Trade Marks Act and not in Section 124. However, Section 124 prescribes the conditions to be fulfilled before a party applies for rectification under the specific circumstances specified therein.*

*11. In paragraph 32 of Patel Field Marshal, the Supreme Court concluded that a party that fails to satisfy the civil court of the existence of a triable issue on the plea of invalidity of the relevant trade mark should impugn the said order and cannot apply under Sections 46 or 56 of the 1958 Act. The import of this conclusion is that a petition under Section 57 of the Trade Marks Act, which corresponds to Section 56 of the 1958 Act, cannot be maintained in cases falling within the ambit of Section 124(1)(a)/(b)(ii) unless the civil court before which the prior suit is pending concludes that there is a triable issue on the invalidity of registration of the trade mark, frames such issue and adjourns the suit for a period of three months to enable the party asserting invalidity to file a rectification petition. Any other conclusion would be contrary to the findings recorded in Patel Field Marshal.*



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12. *As discussed above, in spite of being provided an opportunity to place on record the issues framed by the Bombay High Court in Commercial Suit No.108 of 2018, the petitioner has failed to do so. Indeed, learned counsel for the petitioner is unable to confirm that an issue was framed in the above suit on the validity of registration of the two impugned trade marks. In those circumstances, these petitions cannot be prosecuted. Consequently, (T)OP(TM) Nos.263 and 264 of 2023 are dismissed as not maintainable, by leaving it open to the petitioner to re-apply if the petitioner persuades the Bombay High Court in the pending commercial suit to frame an issue on the validity of registration of the relevant trade marks."*

9. In the above common order dated 18.10.2023, it has been held that where a party fails to satisfy the civil court as to the existence of a triable issue on the plea of invalidity of the relevant trade mark, the same party cannot maintain a rectification petition unless the civil court, before which, the prior suit is pending, concludes that there is a triable issue on the invalidity of the registration of the trade mark and that if any such triable issue is framed, the suit has to be adjourned to enable the party asserting invalidity to file a rectification petition. This was the interpretation made by this Court after considering the judgment of the Hon'ble Apex Court in **Patel**



**Field Marshal Agencies.**

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10. Per contra, the learned counsel appearing on behalf of the first respondent relied upon the decision of the Division Bench of the Delhi High Court in **Resilient Innovations Private Limited Vs. Phonepe Private Limited [RFA (OS) (COMM) Nos.8 & 11 to 13 of 2021 dated 18.5.2023]** wherein the relevant portions read thus:

*"32.3 That said, the issue before the learned Single Judge, to our minds, was whether the rectification applications should have been dismissed, or kept in abeyance till such time the concerned court took a decision as to whether or not, prima facie, a tenable issue arose concerning the validity of the trademark, and was inclined to frame it as an issue in the suit. There is nothing in Section 124 of the 1999 (Amended) TM Act that says that a rectification application ought to be dismissed in limine, in a situation such as the one which arose in the instant case. As a matter of fact, the following observations of the Supreme Court in the Patel Field Marshal case, shed, to our minds, some light on the aspect:*

*'40. The first question posed is how an approach to the superior court i.e. the High Court, under Section 111 of the 1958 Act, can be contingent on a permission or grant of leave by a court of subordinate jurisdiction. The above is also contended to be plainly contrary to the provisions*



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*of Section 41(b) of the Specific Relief Act, 1963. It is also urged that Section 32 of the 1958 Act provides a defence to a claim of infringement which is open to be taken both in a proceeding for rectification as well as in a suit. The said defence statutorily available to a contesting party cannot be foreclosed by a deemed abandonment of the issue of invalidity, it has been contended.*

*41. Section 111 of the 1958 Act, and the corresponding Section 124 of the 1999 Act, nowhere contemplates [the] grant of permission by the civil court to move the High Court or the IPAB, as may be, for rectification. The true purport and effect of Sections 111/124 (of the old and new Act) has been dealt with in detail and would not require any further discussion or enumeration. The requirement of satisfaction of the civil court regarding the existence of a prima facie case of invalidity and the framing of an issue to that effect before the law operates to vest jurisdiction in the statutory authority to deal with the issue of invalidity by no means, tantamount to permission or leave of the civil court, as has been contended. It is a basic requirement to further the cause of justice by elimination of false, frivolous and untenable claims of invalidity that may be raised in the suit.'*

*[Emphasis is ours]*

*33. The position that we have taken above is best explained by adverting, illustratively, to even those statutes, for example, the Indian Companies*



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*Act, 1913 [hereafter referred to as the "1913 Act"] and the Companies Act, 1956 [hereafter referred to as the "1956 Act"] which contained provisions that prevented suit actions or other legal proceedings either being proceeded with or commenced against the companies qua which a winding up order had been made or a provisional liquidator was appointed, except by leave of the court and subject to such terms and conditions that the court may impose. For the sake of convenience, the relevant provisions are extracted hereafter:*

*'1913 Act*

*Section 171: Suits stayed on winding up order.*

*When a winding up order has been made or a provisional liquidator has been appointed no suit or other legal proceeding shall be proceeded with or commenced against the company except by leave of the Court, and subject to such terms as the Court may impose.*

*xxx. xxx xxx*

*1956 Act*

*Section 446: Suits stayed on winding up order.*

*(1) When a winding-up order has been made or the Official Liquidator has been appointed as provisional liquidator, no suit or other legal proceeding shall be commenced, or if pending at the date of the winding-up order, shall be proceeded with, against the company, except by leave of the court and subject to such terms as the*



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court may impose.'

34. Both provisions, i.e., Section 171 of the 1913 Act and Section 446 of the 1956 Act are *pari materia*. Section 171 of the 1913 Act was the subject matter of the decision of the Supreme Court in *Bansidhar Shankarlal v Mohd. Ibrahim and Anr.* 1970 (3) SCC 900. This was a case where the first respondent before the Supreme Court (i.e., Mr Mohd. Ibrahim) had filed a civil suit and obtained a decree of ejectment against a company which was occupying a parcel of land. However, before the suit was decreed, the company had executed a deed in favour of the appellant before the Supreme Court (i.e., Mr Bansidhar Shankarlal), mortgaging its fixed assets for securing the repayment of certain amounts owed to the said mortgagee. Thereafter, a second deed was also executed in favour of Mr Shankarlal, which, once again, mortgaged the fixed assets for securing repayment of an additional sum of money.

34.1 Against a decree for ejectment, both the company and Mr Shankarlal preferred second appeals to the High Court of Calcutta, after the decree was confirmed by the First Appellate Court. Mr Shankarlal also filed a suit in the High Court of Calcutta to enforce the mortgage created in his favour; a preliminary decree was passed in the said suit. While this was at play, a creditor filed a winding-up action against the company and obtained an order for winding up. The High Court of Calcutta, while exercising appellate jurisdiction,



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*confirmed the decree of ejectment. Given this position, the first respondent i.e., Mr Ibrahim filed an application for enforcement of the decree of ejectment against the company, without obtaining leave of the High Court of Calcutta, as required under Section 171 of the 1913 Act.*

*34.2 The Supreme Court, on this aspect, arrived at two conclusions. First, the execution proceedings were a continuation of the suit action and if leave has been obtained for prosecuting the suit, it would be unnecessary to obtain fresh sanction to initiate proceedings at the instance of the relevant party. Second, suits and proceedings initiated without leave of the court may be regarded as ineffective until leave is obtained, and once leave was obtained, the proceedings would be deemed to be initiated on the date of granting leave. The relevant observations made in this behalf are contained in paragraph 7 of the judgement rendered in the case. For the sake of convenience, the said observations are extracted hereafter:*

*'7. Even granting that sanction under Section 179 does not dispense with the leave under Section 171 of the Act, to institute a proceeding in execution against a company ordered to be wound up, we do not think that there is anything in the Act which makes the leave a condition precedent to the institution of a proceeding in execution of a decree against the company and failure to obtain leave before institution of the proceeding entails*



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*dismissal of the proceeding. The suit or proceeding instituted without leave of the Court may, in our judgment, be regarded as ineffective until leave is obtained, but once leave is obtained the proceeding will be deemed instituted on the date granting leave.'*

*[Emphasis is ours]*

*34.3 This precedent was affirmed by the Supreme Court in the matter of State of J&K v UCO Bank and Ors. (2005) 10 SCC 331 while interpreting Sub-section (1) of Section 446 of the 1956 Act. In this case, however, no leave was obtained when the suit was filed and despite this factual distinction, the Court affirmed the second principle enunciated in the case of Bansidhar Shankarlal, which was that the suit or proceedings only became ineffective till leave was granted. For the sake of convenience, the relevant observations made in paragraph 17 of the judgement rendered in State of J&K v UCO Bank and Ors. are extracted hereafter:*

*'17. According to the apparent language of the section, a suit cannot be instituted once a winding-up order is passed except by leave of the Court. This sub-section has been construed by this Court in the decision of Bansidhar [(1970) 3 SCC 900 : AIR 1971 SC 1292] . In that case leave had been obtained at the time of filing of the suit and the question was whether fresh leave ought to be obtained before proceeding under Section 446(1) before institution of execution proceedings. This*



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*Court considered the contrary views expressed by the different High Courts on the effect and purport of Section 446(1) and came to the conclusion that the view expressed by the Calcutta High Court was correct, namely, that the failure to obtain leave prior to institution of suit would not debar the Court from granting such leave subsequently and that the only consequence of this would be that the proceedings would be regarded as having been instituted on the date on which the leave was obtained from the High Court. In view of this categorical pronouncement of the law, the grounds on which the Division Bench has sought to distinguish the aforesaid principle are not only specious but contrary to the provisions of Section 446(1) and the decision of this Court in Bansidhar case [(1970) 3 SCC 900 : AIR 1971 SC 1292].'*

*[Emphasis is ours]*

*35. Having regard to the foregoing, we are of the opinion that the dismissal of the rectification applications was uncalled for. The learned Single Judge should have kept the rectification applications in abeyance."*

11. By relying upon the said judgment of the Division Bench of the Delhi High Court, it was contended on the side of the first respondent that the present rectification petition has to be kept pending till the Trial Court decides the issue that was raised by the



first respondent regarding the invalidity of the registered mark of the applicant and that there is no requirement to seek for the leave of the civil court before filing the rectification petition.

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12. It is not in dispute that the first respondent herein instituted a suit against the applicant in the year 2019. Even before that, the applicant filed a suit against the first respondent and both the suits are still pending before the Additional District Court, PHC, Delhi. The rectification petition involved in this case has been filed subsequently only in the year 2020. The issues have been framed in both the suits and it is quite evident that there is no issue framed on the invalidity of the trade mark registrations of the applicant. In the considered view of this Court, unless the civil court, before which, the prior suits are pending, concludes that there is a triable issue on the invalidity of the registration of the trade mark of the applicant and frames an issue accordingly, the present petition filed seeking for rectification cannot be prosecuted.

13. A learned Single Judge of this Court has also considered the said judgment of the Hon'ble Apex Court in **Patel Field Marshal Agencies** and concluded that where a rectification petition is filed



subsequent to filing of the suit, leave of the civil court is necessary so as to preclude filing of frivolous rectification petitions especially to frustrate prosecution of a suit.

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14. Thus, a reading of Section 57 read with Section 124 of the Act makes it clear that the Legislature intended that the validity of registration of the trade mark should be decided only in the rectification petition and not in the suit. Sub-Section (4) of Section 124 provides that the final order in the rectification petition should be binding on the parties and that the civil court should dispose of the suit in accordance therewith in so far as it relates to the validity of registration of the trade mark. Hence, if the civil court frames an issue touching upon the invalidity of the trade mark, the suit has to be stayed and the rectification petition should be decided prior to the infringement action.

15. In the absence of the same, the rectification petition has to be necessarily closed until the civil court concludes that there is a triable issue on the invalidity of registration of the trade mark. If this procedure is not followed strictly, the proceedings before the civil court and the rectification petition will come to a stalemate and it will go

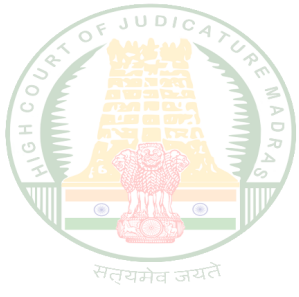


against the very object of Section 124 of the Act. The fact that the suits are pending from the year 2019 and till date, the Trial Court has not chosen to frame an issue on the invalidity of the trade mark clearly dis-entitles the first respondent from prosecuting the rectification petition. The earlier orders passed by the learned Single Judge of this Court are binding and the decision of the Division Bench of the Delhi High Court that was relied upon by the learned counsel appearing on behalf of the first respondent will only have only a persuasive value.

16. In the light of the above discussions, (TM) A.No.11 of 2024 stands allowed and (T) O.P.(TM) No.471 of 2023 stands dismissed as not maintainable. It is made clear that the first respondent can reapply if they are able to persuade the Additional District Court, PHC, Delhi in the pending suits to frame an issue on the invalidity of registration of the relevant trade mark. No costs.

**04.2.2026**

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N.ANAND VENKATESH,J

RS

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