

**IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH**

**Reserved on 9<sup>th</sup> of December, 2025  
Pronounced on 22<sup>nd</sup> of January, 2026  
Uploaded on 22<sup>nd</sup> of January, 2026**

*Whether only operative part of the judgment is pronounced?* **No**  
*Whether full judgment is pronounced?* **Yes**

**CR No.6252 of 2023**

Sanjeev Kumar Juneja and another ....Petitioners

Versus

Terrace Pharmaceuticals Pvt. Ltd. ....Respondent

**CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN**

Present : Mr. Amit Jhanji, Senior Advocate with  
Mr. Shashank Shekhar Sharma, Advocate,  
Mr. Sahil Sehrawat, Advocate and  
Mr. Mehtab Singh Dhaliwal, Advocate  
for the petitioners.

Ms. Aparna Jain, Advocate  
for the respondent.

**PANKAJ JAIN, J.**

Defendants are in revision aggrieved of order dated 14.09.2023 (Annexure P-11) whereby Trial Court framed additional issue regarding validity of Trade Mark, but dismissed the application filed by the petitioner under Section 124 of the Trade Marks Act, 1999 (hereinafter referred to as '1999 Act') praying for grant of time to approach appropriate forum.

2. Plaintiff filed suit claiming ownership over registered Trade Mark 'ROOP MANTRA' and claimed infringement of its Trade Mark by the

defendants and also alleged passing off.

3. As per the plaintiff, plaintiff is a company incorporated under Indian Companies Act and is engaged in the business of manufacturing and selling medicinal & pharmaceutical preparations, cosmetics and other allied goods. Plaintiff claims to be a registered proprietor of trade mark 'MANTRA' under Registration No.1867357, dated 25.09.2009 in respect of medicines under 1999 Act. Plaintiff claims of having applied for registration of the said 'MANTRA' formative trade mark for various other products and claims that by virtue of prior, long, continuous, extensive and exclusive use, the mark has become distinctive with their products. As per the plaintiff, trade mark 'MANTRA' and 'MANTRA' formative marks have become well recognized trade marks in respect of the goods owing to excellent quality produced by them. Plaintiff thus claims sole and exclusive proprietary rights over the same.

3.1. Plaintiff alleges that in the month of 2014, they came across the trade mark applications filed by the defendant for registration of trade marks 'MEMORY MANTRA' and 'KESH MANTRA'. The plaintiff immediately filed opposition to the registration of the said trade mark applications. The applications were filed by defendant No.1 as 'proposed to be used' on their respective date of applications without launching any goods in market. However, in the month of November, 2017, the plaintiff came to know that defendant has started selling infringing goods by user 'MANTRA'. The Plaintiff accordingly filed plaint praying for following relief(s):

"a). Pass a decree for permanent injunction restraining the defendants by themselves, their proprietor/ dealers, partners/

assigns-in-business, distributors, agents and all other persons acting for and on their behalf from manufacturing, selling, offering for sale or otherwise dealing in 'Medicines including Ayurvedic, herbal & pharmaceutical, preparations, dietetic substances adapted for medical use, cosmetics, soaps, perfumery, essential oils, cosmetics, hair lotions' & other similar/allied & cognate/associated goods under the infringing trademark "ROOPMANTRA" either as a standalone mark and/or with some prefix/suffix/mark/label, said infringing "MANTRA" suffixed/formative marks namely "MEMORY MANTRA", "FACE MANTRA", "KESH MANTRA", "NAARI MANTRA", "FAIRMANTRA", "PAACHAN MANTRA", "SHAPE MANTRA", "ORTHO MANTRA", "COUGH MANTRA", "NETRA MANTRA", "DANT MANTRA", "MUSCLE MANTRA", "EYE MANTRA", "MADHU MANTRA", "MASS MANTRA", "PAIN MANTRA", "SWEET MANTRA", "SAUNDARYA KA AYURVEDIC MANTRA", "SMILE MANTRA", "PACHAN MANTRA", "COW MANTRA", "AROGYA MANTRA", "MANTRA", "FRAGRANCE", "LIVOMANTRA", "DR.JUNEJA'S ROOP MANTRA" and I or from using any other similar/deceptively similar trade mark thereto in respect of identical/similar/allied cognate/associated goods, which may constitute infringement of registered trade mark "MANTRA" of the plaintiff under registration no. 1867357 in any manner; &

b) Pass a decree for permanent injunction restraining the defendants by themselves, their proprietor/ dealers, partners/ assigns-in-business, distributors, agents and all other persons acting for and on their behalf from manufacturing, selling, offering for sale or otherwise dealing in 'Medicines including Ayurvedic, herbal & pharmaceutical preparations, dietetic substances adapted for medical use, cosmetics, soaps, perfumery, essential oils, cosmetics, hair lotions' & other similar/allied & cognate associated goods under the infringing trademark "ROOP MANTRA" either as a standalone mark and/or with some prefix/suffix/mark/label, said infringing "MANTRA" suffixed/formative marks namely "MEMORY MANTRA", "FACE MANTRA", "KESH MANTRA", "NAARI MANTRA", "FAIR MANTRA", "PAACHAN

MANTRA", "SHAPE MANTRA", "ORTHO MANTRA", "COUGH MANTRA", "NETRA MANTRA", "DANT MANTRA", "MUSCLE MANTRA", "EYE MANTRA", "MADHU MANTRA", "MASS MANTRA", "PAIN MANTRA", "SWEET MANTRA", "SAUNDARYA KA AYURVEDIC MANTRA", "SMILE MANTRA", "PACHAN MANTRA", "COW MANTRA", "AROGYA MANTRA", "FRAGRANCE MANTRA", "LIVOMANTRA", "DR.JUNEJA'S ROOP MANTRA" and I or from using any other similar/deceptively similar trade mark thereto in respect of identical/similar/allied & cognate/associated of goods, which may constitute violation proprietary rights of the plaintiff with respect to its prior used, reputed and well-recognized trademarks "MANTRA", "BREASTIL MANTRA", "NEEMANI MANTRA", "VIRGIN FRESH MANTRA" & "KESH MANTRA" in any manner;

c) Pass a decree for permanent injunction restraining the defendants by themselves, their proprietor/ dealers, the partners/ assigns-in-business, distributors, agents and all other persons acting for and on their behalf from passing off their goods as the goods of the plaintiff in any manner;

d) Pass an order for destruction of all the blocks, dies, finished goods, semi-finished goods, packing box/cartons, packing material, bills, advertisements, stationery and other incriminating material of the defendant bearing infringing/violating trademark "ROOP MANTRA" either as a standalone mark and or with some prefix/suffix/mark, said infringing "MANTRA" suffixed/formative marks namely "MEMORY MANTRA", "FACE MANTRA", "KESH MANTRA", "NAARI MANTRA", "FAIR"MANTRA", "PAACHAN MANTRA", "SHAPE MANTRA", "ORTHO MANTRA", "COUGH MANTRA", "NETRA MANTRA", "DANT MANTRA", "MUSCLE MANTRA", "EYE MANTRA", "MADHU MANTRA", "MASS MANTRA", "PAIN MANTRA", "SWEET MANTRA", "SAUNDARYA KA AYURVEDIC MANTRA", "SMILE MANTRA", "PACHAN MANTRA", "COW MANTRA", "AROGYA MANTRA", "FRAGRANCE MANTRA", "LIVOMANTRA", "DR JUNEJA'S ROOP MANTRA" and/or any

other similar/deceptively similar trade mark thereto in any manner;

e) Pass a decree for permanent injunction thereby restraining the defendants by themselves, their proprietor/partners/ assigns-in-business, dealers, distributors, agents and all other persons acting for and on their behalf from operating the infringing website [www.roopmantra.com](http://www.roopmantra.com) & further transfer the said website [www.roopmantra.com](http://www.roopmantra.com)' to the plaintiff

f) Pass a decree for the sum of Rs. 20,01,000/- (Rs. Twenty Lacs one thousand only) in favour of the plaintiff and against the defendants as damages;

g) An order for cost of the proceedings be also passed in favour of the plaintiff and against the defendants;

h) Any other relief(s) as this Hon'ble Court may deem fit and proper under the facts and circumstances of the case be also passed in favour of the plaintiff and against the defendants."

4. Defendant claims that trade mark certificate stands issued in his name on 26.04.2018 and the opposition initiated by plaintiff, stands abandoned. The subsequent rectification filed by plaintiff on 08.05.2018 is pending before the registrar.

5. Suit was contested by defendant filing written statement denying the allegations of misrepresentation and deception. The defendant preferred application under Order VII Rule 11 CPC seeking rejection of the plaint. The same was dismissed. The defendant preferred revision petition. The same was also dismissed by this Court vide order dated **22.07.2022**. The present application was filed by the petitioner/defendant under Section 124 of the 1999 Act seeking leave of the Court to file rectification petition against the registration of the plaintiff's trade mark and seeking stay of the

suit. Trial Court vide impugned order, dated 14.09.2023 framed specific Issue 7A w.r.t. validity of plaintiff's trade mark "MANTRA" but denied the prayer made by the defendant seeking stay of suit, observing as under:

7. From the submissions of the learned counsel for the parties and from the perusal of the file, it is clear that the plaintiff has filed the suit. The defendants preferred an application under Order 7 Rule 11 of CPC. That application was dismissed. It is an admitted fact that the Hon'ble High Court also dismissed the revision against the said order. Now the defendants moved an application under Section 124 of the Trade Mark Act read with Section 151 of the CPC. **Section 124 of the Trade Mark Act** reads as under:-

Section 124 of Trademarks Act, 1999 is a unique provision which provides for stay of suit involving trademarks infringement, in certain situation. This provision pertain to Suit pertaining to Trademark Infringement as the opening word of this provision clearly indicates that.

Under Section 124 of the Act, it is provided that defendant can raise a defence under Clause E Sub section (2) of Section 30 and the plaintiff pleads the invalidity of the Registration of the defendants Trade Mark.

**Section 30 (2) (e) of the Trade Mark Act** reads as under:-

(e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.

This Court has already framed the issues, the application under Section 124 of the Trade Marks Act, 1999 is filed at a belated stage but this Court is of the view that in the interest of justice, the issues are re-framed as under:-

#### **7.A Whether the Trade Mark of the plaintiff's 'MANTRA' is invalid ? OPR**

Above said issue should be added in the issues already framed on 02.02.2023. Accordingly, the present application dismissed and disposed of. The authorities cited by the learned counsel for the applicant/defendants are not applicable to the given

facts of the present case. Now case is adjourned to 30.09.2023 for evidence.

6. Ld. Senior Counsel appearing for the petitioners has assailed the impugned order, submitting that even though the Court found that the petitioner has raised a valid issue regarding validity of the registration of trade mark of the plaintiff, yet has not stayed the suit as per the mandate of Section 124 of 1999 Act. He claims that the entire approach of the Trial Court is in teeth of the mandate of Section 124 of the 1999 Act. Thus the impugned order needs to be modified to the extent that the suit be stayed. He submits that order if allowed to stand, shall defeat the very objective of Section 124 of the 1999 Act. The same may lead to an absurd situation and shall undermine the binding effect of final orders passed in rectification proceedings. He submits that by framing additional issue regarding validity of the trade mark of the plaintiff, the Trial Court has tried to clutch upon the jurisdiction not vested in it. The Trial Court clearly stands denuded of the authority or jurisdiction to independently proceed to examine the aspect of validity of the trade mark. The same can only be tested either before the Registrar or the High Court. In order to hammer-forth his submission, he relies upon Division Bench judgment of Delhi High Court rendered in the case of **Mr. Amrish Aggarwal Trading as M/s Mahalaxmi Product vs. M/s Venus Home Appliances Pvt. Ltd and another, CO (COMM.IPD-TM) 258/2022 dated 17.05.2024.**

7. Per contra, Ms. Aparna Jain, counsel representing the respondent/plaintiff submits that the Trial Court has rightly dismissed the

application filed by the defendant, under Section 124 of the 1999 Act seeking stay of the suit as the application is not *bona fide*. Suit was filed in the year 2018. The defendant/petitioner has not allowed the same to proceed beyond the stage of framing of issues. Earlier an application was filed under Order VII Rule 11 CPC seeking rejection of plaint. Application was dismissed by the Trial Court. Revision petition preferred by the petitioner, also stands dismissed. Thereafter, present application was filed under Section 124 of the 1999 Act as the endeavor was not to allow the suit to proceed. She submits that even if the argument raised by petitioners is taken on its face value, at the most it is action *qua* infringement that can be stayed. Action *qua* passing off shall remain unaffected. She submits that Section 124 deals with action for infringement of trade mark and not action *qua* passing off. She submits that the ratio of law laid down by Division Bench of Delhi High Court in *Amrish Aggarwal's* case (supra) *qua* stay of suit of passing off has been held to be *obiter dicta* by subsequent judgment rendered in the case of **Balar Marketing Private Limited vs. Lakha Ram Sharma Proprietor of Kundan Cable India, SCC Online Del 2151.**

8. Mr. Jhanji, Ld. Senior Counsel representing the petitioners joins issue w.r.t. following observations made in the case of **Balar Marketing Private Limited vs. Lakha Ram Sharma Proprietor of Kundan Cable India** (supra), in Para 34:

34. In view of the discussion above, in my humble view, the reference made by the Division Bench in paragraph 44 of Amrish Aggarwal (supra) to 'passing off' has to be treated as *obiter dicta* and would not be a binding precedent.

9. Mr. Jhanji submits that the conjoint reading of Para 15, Para 53 and Para 54 of the judgment rendered by the Division Bench judgment in *Amrish Aggarwal's* case (supra) would reveal that the specific argument regarding stay of suit of passing off, was raised before the Division Bench. The same was explicitly dealt with and rejected. In these circumstances, the observations cannot be considered to be *obiter dicta*.

10. I have heard counsel for the parties and have carefully gone through records of the case.

11. In the considered opinion of this Court, the following Issues that arise for consideration of this Court are:

- (i) *Whether Trial Court can look into validity of the registration of trade mark when the rectification proceedings are sought to be initiated before Registrar under the Trade Marks Act, 1999?*
- (ii) *Whether Section 124 mandates stay of action qua passing off or the same relates only to the suit for infringement of the registered trade mark? and*
- (iii) *Whether the Court can allow action qua passing off to proceed and stay action qua infringement in a composite suit filed by the plaintiff.*

12. Section 2(1)(zb) defines "trade mark" as under:

**2(zb)** —trade mark means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may

include shape of goods, their packaging and combination of colours; and—

(i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and

(ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark;

13. Section 2(1)(m) defines “mark”. The law recognizes registered trade mark as well as unregistered (but well known) trade marks. Law protects unregistered trade mark used in the course of trade. Suit for passing off is a remedy under common law recognized under the 1999 Act. Owner of registered trade mark is entitled to maintain suit for infringement of his rights arising out of registration of a trade mark. Suit for infringement is a statutory remedy. To make it more clear, reference can be made to Section 27 and Section 29 of 1999 Act, which read as under:

**27. No action for infringement of unregistered trade mark.**—(1) No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark.

(2) Nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods of another person or as services provided by another person,

or the remedies in respect thereof.

**29. Infringement of registered trade marks.**—(1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

(2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of—

(a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

(b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

(c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

(3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.

(4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—

(a) is identical with or similar to the registered trade mark; and

(b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and

(c) the registered trade mark has a reputation in India

and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

(5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

(6) For the purposes of this section, a person uses a registered mark, if, in particular, he—

- (a) affixes it to goods or the packaging thereof;
- (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;
- (c) imports or exports goods under the mark; or
- (d) uses the registered trade mark on business papers or in advertising.

(7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

(8) A registered trade mark is infringed by any advertising of that trade mark if such advertising—

- (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or
- (b) is detrimental to its distinctive character; or
- (c) is against the reputation of the trade mark.

(9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

14. Chapter VII of 1999 Act deals with rectification and correction of the register as under:

CHAPTER VII  
RECTIFICATION AND CORRECTION OF THE REGISTER

**57. Power to cancel or vary registration and to rectify the register.**—(1) On application made in the prescribed manner to the Appellate Board or to the Registrar by any person aggrieved, the tribunal may make such order as it may think fit for cancelling or varying the registration of a trade mark on the ground of any contravention, or failure to observe a condition entered on the register in relation thereto.

(2) 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 the Appellate Board or to the Registrar, and the tribunal may make such order for making, expunging or varying the entry as it may think fit.

(3) The tribunal may in any proceeding under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.

(4) The tribunal, of its own motion, may, after giving notice in the prescribed manner to the parties concerned and after giving them an opportunity of being heard, make any order referred to in sub-section (1) or sub-section (2).

(5) Any order of the Appellate Board rectifying the register shall direct that notice of the rectification shall be served upon the Registrar in the prescribed manner who shall upon receipt of such notice rectify the register accordingly.

**58. Correction of register.**—(1) The Registrar may, on application made in the prescribed manner by the registered proprietor,—

(a) correct any error in the name, address or description of the registered proprietor of a trade mark, or any other entry relating to the trade mark;

(b) enter any change in the name, address or description of the person who is registered as proprietor of a trade mark;

(c) cancel the entry of a trade mark on the register;

(d) strike out any goods or classes of goods or services from those in respect of which a trade mark is registered, and may make any consequential amendment or alteration in the certificate of registration, and for that purpose, may require the certificate of registration to be produced to him.

(2) The Registrar may, on application made in the prescribed manner by a registered user of a trade mark, and after notice to the registered proprietor, correct any error, or enter any change, in the name, address or description of the registered user.

**59. Alteration of registered trade marks.**—(1) The registered proprietor of a trade mark may apply in the prescribed manner to the Registrar for leave to add to or alter the trade mark in any manner not substantially affecting the identity thereof, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.

(2) The Registrar may cause an application under this section to be advertised in the prescribed manner in any case where it appears to him that it is expedient so to do, and where he does so, if within the prescribed time from the date of the advertisement any person gives notice to the Registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

(3) Where leave is granted under this section, the trade mark as altered shall be advertised in the prescribed manner, unless the application has already been advertised under sub-section (2).

**60. Adaptation of entries in register to amended or substituted classification of goods or services.**—(1) The Registrar shall not make any amendment of the register which would have the effect of adding any goods or classes of goods or services to those in respect of which a trade mark is registered (whether in one or more classes) immediately before the amendment is to be made or of antedating the registration of a trade mark in respect of any goods or services:

Provided that this sub-section, shall not apply when the Registrar is satisfied that compliance therewith would involve

undue complexity and that the addition or antedating, as the case may be, would not affect any substantial quantity of goods or services and would not substantially prejudice the rights of any person.

(2) A proposal so to amend the register shall be brought to the notice of the registered proprietor of the trade mark affected and advertised in the prescribed manner, and may be opposed before the Registrar by any person aggrieved on the ground that the proposed amendment contravenes the provisions of sub-section (1).

15. Section 30 prescribes limits on effect of registered trade mark and also prescribes valid defences in a suit for infringement. The same reads as under:

**30. Limits on effect of registered trade mark.—(1)**

Nothing in section 29 shall be construed as preventing the use of a registered trade mark by any person for the purposes of identifying goods or services as those of the proprietor provided the use—

(a) is in accordance with honest practices in industrial or commercial matters, and

(b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

(2) A registered trade mark is not infringed where—

(a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;

(b) a trade mark is registered subject to any conditions or limitations, the use of the trade mark in any manner in relation to goods to be sold or otherwise traded in, in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place or country outside India or in any other circumstances, to which, having regard to those conditions or limitations, the registration does not extend;

- (c) the use by a person of a trade mark—
    - (i) in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied the trade mark and has not subsequently removed or obliterated it, or has at any time expressly or impliedly consented to the use of the trade mark; or
    - (ii) in relation to services to which the proprietor of such mark or of a registered user conforming to the permitted use has applied the mark, where the purpose and effect of the use of the mark is to indicate, in accordance with the fact, that those services have been performed by the proprietor or a registered user of the mark;
  - (d) the use of a trade mark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given by registration under this Act or might for the time being be so used, if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trade mark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;
  - (e) the use of a registered trade mark, being one of two or more trade marks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.
- (3) Where the goods bearing a registered trade mark are

lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that person or by a person claiming under or through him is not infringement of a trade mark by reason only of—

(a) the registered trade mark having been assigned by the registered proprietor to some other person, after the acquisition of those goods; or

(b) the goods having been put on the market under the registered trade mark by the proprietor or with his consent.

(4) Sub-section (3) shall not apply where there exists legitimate reasons for the proprietor to oppose further dealings in the goods in particular, where the condition of the goods, has been changed or impaired after they have been put on the market.

16. The same finds reference under Section 124 of the 1999 Act. It provides that where the defendant raised a defence under Section 30(2)(e), the Court trying the suit shall stay the same pending final disposal. The present case falls under Section 124(1)(ii). The Trial Court has found that the defendant has raised a *prima facie* issue regarding validity of the registration of the plaintiff's trade mark and has framed specific issue i.e., Issue 7A. However, the Trial Court did not adjourn the case for a period of 'three months' from the date of framing of issue to enable the party concerned i.e., petitioner in the present case, to apply to the High Court for rectification of the register.

16.1. While considering the import of Section 124 in the light of the scheme of the Act, Supreme Court in the case of '**Patel Field Marshal Agencies and another vs. P.M. Diesels Ltd.**', (2018) 2 SCC 112, observed as under:

35. Section 111 of the 1958 Act and the corresponding Section 124 of the 1999 Act nowhere contemplates 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 within 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.

17. The observations made by Supreme Court in *Patel Field Marshal's* case (supra) were relied upon by Division Bench of Delhi High Court in *Amrish Aggarwal's* case (supra) to observe as under:

“44. The position in law which thus emerges upon a consideration of Patel Field Marshal Agencies and Puma Stationer clearly appears to be the necessity of suit proceedings being stayed awaiting a final decision being rendered on any proceedings for rectification or cancellation that may be either pending or are intended to be initiated. The fact that the provision includes any decision rendered in those rectification or cancellation proceedings as binding upon the court trying the suit, lends added credence to the requirement and obligation of the suit court awaiting a final decision being rendered on those proceedings before taking up and examining the challenge of infringement or passing off.

45. This aspect unerringly comes to the fore when one reads Section 124(4) of the 1999 Act and which in explicit terms provides that the final orders passed in rectification proceedings would bind the parties and additionally oblige the court to dispose of the suit itself in conformity with the decision which may have

been arrived at in the rectification or cancellation proceedings. The suit court thus clearly stands denuded of the authority or jurisdiction to independently proceed to examine the aspect of validity. The clear intent of the statute appears to be of ensuring that rectification challenges are placed exclusively before the Registrar or the High Court and consequently requiring the Trial Judge to stay its hands in any pending action.

46. All that Section 124(1)(ii) of the 1999 Act additionally provides is for the Trial Judge evaluating whether the challenge to registration as raised either by the plaintiff or the defendant gives rise to a triable issue. The expression 'prima facie tenable' essentially requires the Trial Judge to undertake a preliminary examination of the plea of invalidity as opposed to a definitive determination. The aforesaid caveat essentially appears to have been introduced in order to enable the Trial Judge to dispose of pleas which may be wholly specious or devoid of substance. Thus, if on a preliminary examination itself, the Trial Judge were to come to the conclusion that the plea of invalidity as raised is clearly untenable and merits no further examination, it would be entitled to proceed further in the suit. However, and once the court comes to the *prima facie* conclusion that the challenge to registration of a mark does merit further examination, it would have to undoubtedly place the suit proceedings in a state of latency and await the outcome of any rectification or cancellation action that may come to be instituted.

47. This is further fortified from a reading of Section 124(2) of the 1999 Act, which provides that once the party is able to successfully establish that an action has been commenced in accordance with sub-clause (ii) of Section 124(1) of the 1999 Act, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings. A conjoint reading of sub-sections (1) and (2) leads us to the irresistible conclusion that the Trial Judge is obliged in law to await the outcome of a rectification action validly instituted and to place the suit in a state of repose with proceedings liable to be resumed upon conclusion of rectification proceedings. The fact that the statute further provides for the decision on rectification to be binding upon the suit court is yet another affirmation of the legislative pre-eminence which the statute

accords upon the former and the imperatives of the Trial Judge staying its hands whilst awaiting the outcome of those proceedings. As we read Section 124 of the 1999 Act, we find that the provision has been structured in order to give effect to the legislative intent of what Mr. Ramanujan aptly described to be a "sequencing of decision making". We consequently find that the learned Single Judge while framing the present Reference has correctly enunciated the legal position which would govern."

18. In view of the aforesaid binding precedents laid down by Supreme Court in ***Patel Field Marshal's case*** (supra), this Court finds that once the Trial Court comes to a conclusion that the plea of invalidity of registered trade mark is *prima facie* tenable, the Act mandates providing the time to approach the Registrar or High Court. In the present case, the Trial Court not being the High Court does not have the jurisdiction to try the Issue w.r.t. rectification.

19. Bare perusal of Section 124 of 1999 Act makes it abundantly clear that the same deals only with the suit for infringement of registered trade mark and is not applicable to the suit for passing off. The Issue No.(ii) framed herein-above is answered accordingly.

20. Counsel for the parties do not dispute that the action *qua* passing off and action *qua* infringement are two different causes to maintain action which have been joined in the present suit.

21. The Issue regarding maintainability of a composite suit alleging passing off and infringement of trade mark cropped up before Full Bench of Delhi High Court in **Carlsberg Breweries A/S vs. Som Distilleries and Breweries Ltd.** AIR 2019 Delhi 23 (FB). The Full Bench of Delhi High

Court culled out the following two questions for adjudication:

- (a) Is the court compelled by anything in law to reject a plaint for misjoinder, if two causes of action cannot be clubbed;
- (b) Are the two causes of action, i.e. a claim for design infringement and the other for passing off, so disparate or dissimilar that the court cannot try them together in one suit;

22. In the present case, we are concerned with question (b).
23. Answering the Issue, Five Judges Bench of Delhi High Court observed as under:

**43.** In regard to both causes of action, suits claims are (i) against the same defendant or set of defendants, and; (2) in respect of the same set of acts and transactions. The only difference is that the relief claimed is different. The question is whether Mohan Lal's understanding on the inconsistency and disparateness as to the relief being fundamental to the frame of the suit, would defeat a composite action, *per se*.

**44.** A registered design owner, this court notices, facially satisfies the test of novelty (of the product's design) and that it was not previously published. For registration, the article must contain uniqueness or novelty in regard to elements such as shape, configuration, pattern, ornament or composition of lines of colours applied to any article; further there must be a visual appeal to the article (i.e. the aesthetic appeal). However, if the defendant establishes that indeed there was no novelty, or that a similar design had been published earlier, in the public domain, the infringement claim would be repelled. In respect of a passing off claim, distinctiveness of the elements of the mark, its visual or other presentation and its association with the trader or owner needs to be established. The factual overlap here is with respect to the presentation - in the design, it is the novelty and aesthetic presentation; in a passing off action, it is the distinctiveness (of the mark) with the attendant association with the owner. To establish infringement (of a design) fraudulent imitation of the article (by the defendant) has to be proved. Likewise, to show passing off, it

is necessary for the owner of the mark to establish that the defendant has misrepresented to the public (irrespective of intent) that its goods are that of the plaintiff's; the resultant harm to the plaintiff's reputation is an actionable claim.

**45.** This court is also of the opinion that the Full Bench ruling in Mohan Lal (supra) made an observation, which is inaccurate: it firstly correctly noted that registration as a design is not possible, of a trade mark; it, however later noted that "post registration under section 11 of the Designs Act, there can be no limitation on its use as a trademark by the registrant of the design. The reason being: the use of a registered design as a trade mark, is not provided as a ground for its cancellation under section 19 of the Designs Act." This observation ignores that the Designs Act, 2000 Section 19 (e) specifically exposes a registered design to cancellation when "(e) it is not a design as defined under clause (d) of section 2." The reason for this is that section 2 of the Designs Act, defines "design" as "...the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article.....; but does not include any trade mark as defined in clause (v) of sub-section (1) of section 2 of the Trade and Merchandise Marks Act, 1958....." Therefore, if the registered design per se is used as a trade mark, it apparently can be cancelled. The larger legal formulation in Mohan Lal (supra), that a passing off action i.e one which is not limited or restricted to trademark use alone, but the overall get up or "trade dress" however, is correct; as long as the elements of the design are not used as a trademark, but a larger trade dress get up, presentation of the product through its packaging and so on, given that a "passing off" claim can include but is also broader than infringement of a trademark, the cause of action against such use lies.

**46.** It is evident that there is a similarity between the nature of inferences and conclusions that are presented to the court, in the two causes of action. Significantly, the complaint of passing off as well as that of design infringement emanate from the same fact: sale or offer for sale, by the defendant of the rival product. In this context, it is relevant to notice that the expression "cause of action" was explained in this incisive manner in *Kusum Ingots & Alloys v. Union of India* 2004 (6) SCC 254 as:

*"every fact which would be necessary for the plaintiff to prove, if traversed, in order to support his right to the judgment of the Court. Negatively put, it would mean that everything which, if not proved, gives the defendant an immediate right to judgment, would be part of cause of action."*

**47.** It is clear therefore, that the basic facts which impel a plaintiff to approach a court, complaining of design infringement are the same as in the case of passing off. In such circumstances, it is inconceivable that a cause of action can be "split" in some manner and presented in different suits. In this context, this court notes that whereas Order 2, Rule 3 enables plaintiffs to join disparate causes of action, Order 2, Rule 2 compels the whole claim to be clubbed together. Speaking on the effect of the latter (Order II Rule 2) the Supreme Court, noting its previous rulings, said in *M/s Raptakos, Brett v. M/S Ganesh Property* AIR 1998 Supreme Court 3085 is an authority for the proposition that a suit cannot be rejected as partly barred.

**48.** We are also of the opinion that a composite suit has the advantage of a bird's eye view by the court, with respect to a common set of facts: if for some reason, the claim for design infringement is *prima facie* weak and the plaintiff cannot secure interim relief, it does not have to face uncertainty of another action before another court; the same court can review the same facts and evidence, and conclude *pendente lite*, if *prima facie* passing off is made out, necessitating interim relief.

24. The Full Bench observed that in view of enabling provisions of Order II Rule 3 CPC, joinder of cause of action was permissible and the plaintiff was well within his right to maintain a composite suit joining two different cause of actions for infringement and that for passing off.

24.1. The issue w.r.t. splitting of different causes of action joined in a composite suit stands answered by the Code of Civil Procedure itself under

Order II Rule 6 as under:

**“[6. Power of Court to order separate trials.—Where it appears to the Court that the joinder of causes of action in one suit may embarrass or delay the trial or is otherwise inconvenient, the Court may order separate trials or make such other order as may be expedient in the interests of justice.]”**

25. Having already held herein-above that Section 124 deals with suit for infringement and not *qua* suit for passing off, this Court finds that Section 124 cannot be invoked *qua* suit for passing off. The cause of action for passing off is severable from cause of action for filing suit for infringement.

25.1. From the records, it is discernible that the suit was filed in 2018 joining two separate causes of action, one *qua* infringement of a registered trade mark and the other *qua* passing off. In almost 6 years, the suit could not proceed beyond the stage of framing of issues. Accordingly, this Court finds that the joinder of causes of action in the present suit has led to delay in the trial. Thus, the impugned order needs to be modified to the extent that the defendant(s) is granted **three months time** to move an appropriate application seeking rectification of the registered trade mark owned by the plaintiff.

26. The claim *qua* infringement shall remain stayed for three months.

27. The Trial Court shall try the suit for passing off separately by registering the same plaint as as separate suit i.e. Civil Suit No.12/2018-A and shall proceed with the trial thereof on the basis of pleadings on record.

28. With the aforesaid observations, the revision petition is disposed off.
29. Pending application, if any, shall disposed off.

**January 22, 2026**

**Dpr**

**(Pankaj Jain)  
Judge**

Whether speaking/reasoned : Yes

Whether reportable : Yes