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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\# **CNR No. DLHC010541002026**

\+ CM(M)-IPD 60/2026, CM 298/2026, CM 299/2026 & CM 300/2026

PAWAN KUMAR MITTAL PROPRIETOR OF SHREE SALASAR DEV BASMATI HOUSE .....Petitioner

Through: Mr. Ajay Amitabh Suman & Mr. Pankaj Kumar, Advs.

versus

J.R. RICE INDIA PVT. LTD. .....Respondent

Through: None.

\# **CNR No. DLHC010541062026**

\+ CM(M)-IPD 61/2026 CM 301/2026, CM 302/2026 & CM 303/2026

PAWAN KUMAR MITTAL PROPRIETOR OF SHREE SALASAR DEV BASMATI HOUSE .....Petitioner

Through: Mr. Ajay Amitabh Suman & Mr.Pankaj Kumar, Advs.

versus

J.R. RICE INDIA PVT. LTD. .....Respondent

Through: None.

CORAM:
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

O R D E R

% 06.11.2026

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1. The instant petitions under Article 227 of the Constitution of India have been preferred by the petitioner assailing the order dated 06.10.2026 (hereinafter referred to as the 'impugned order') passed by the District Judge (Commercial Court-04), Central District, Tis Hazari Courts, Delhi in CS (COMM) No. 703/2025, whereby the application of the petitioner under Section 124 of the Trade Marks Act, 1999 (hereinafter referred to as the 'Act') has been dismissed.

2. The petitioner is the defendant in the said suit and the respondent is the plaintiff therein. Both the petitions arise out of the same impugned order. The petitioner has chosen to file separate petitions in respect of the two registered trade marks of the respondent, namely, 'KHAZANA' bearing Registration No. 689653 and 'KESARIA' bearing Registration No. 1826411, both in Class 30. Since the question involved in both the petitions is common, they have been taken up together and are being disposed of by this common order. The facts, which are common to both the petitions, are briefly noticed hereunder.

3. The respondent, J.R. Rice India Pvt. Ltd., instituted the underlying suit on 23.06.2025 alleging infringement of its registered trade marks and passing off, along with allied reliefs, in relation to the use by the petitioner of the marks 'KESAR KHAZANA' and 'KITCHEN KHAZANA' in respect of rice and allied products. The case of the respondent, inter alia, rests upon the aforesaid registrations for 'KHAZANA' and 'KESARIA', and it claims use of the said marks since the years 1995 and 2009, respectively.

4. In his written statement, the petitioner disputed the validity of the said registrations. It was pleaded that the expressions 'KHAZANA' and 'KESAR/KESARIA' are descriptive, laudatory and common to the trade of

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rice, and are *publici juris*. According to the petitioner, several traders and manufacturers dealing in rice and allied products have been using these expressions, some of them even prior to the respondent, and screenshots and other material relating to such third-party use were placed on record. The petitioner further pleaded that the registrations had not been put to bona fide use and that material facts were not disclosed at the time of obtaining them. Reliance was also placed upon the fact that the respondent's own Application No. 820679 in Class 30 for the mark 'KESAR' is recorded as 'closed' at Entry No. 63 of the Assignment Deed dated 20.04.2013.

5. On the strength of the aforesaid pleas, the petitioner moved an application dated 27.01.2026 under Section 124 of the Act, seeking stay of the suit proceedings and appropriate orders to enable him to institute rectification proceedings against Registration Nos. 689653 and 1826411. The respondent opposed the application by filing its reply dated 13.03.2026.

6. *Vide* the impugned order, the Commercial Court dismissed the application. As per the petitioner, the Commercial Court principally reasoned that the pleas regarding the descriptive nature of the expressions, their *publici juris* character and common usage in the trade, as also the protection allegedly available under the erstwhile Trade and Merchandise Marks Act, 1958, could have been raised by the petitioner at the time of applying for registration of his own trade mark. The Commercial Court also took note of the fact that the challenge to the registrations of the respondent was sought to be laid only after the institution of the suit.

7. Mr. Ajay Amitabh Suman, learned counsel appearing on behalf of the petitioner, submits that the impugned order runs into about twenty pages, out of which the actual reasoning is confined to about one and a half pages.

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According to him, the Commercial Court did not examine the only question which arose under Section 124 of the Act, namely, whether the plea of invalidity was *prima facie* tenable, and instead rested its decision on the stage at which the challenge was raised, without recording any finding that the proposed rectification proceedings were barred or otherwise not maintainable.

8. He further submits that the fact that the petitioner had applied for registration of his own mark has no bearing on the validity of the registrations of the respondent, and that the material relating to third-party use, as well as the judgments relied upon by the petitioner, have not been considered. He clarifies that the petitioner does not seek any adjudication from this Court on the validity of the registrations.

9. None has appeared on behalf of the respondent. However, in view of the order which is proposed to be passed, this Court does not consider it necessary to issue notice to the respondent.

10. A plain reading of Section 124(1) of the Act shows that it operates where, in a suit for infringement, the defendant pleads that the registration of the plaintiff's trade mark is invalid, or where the defendant raises a defence under Section 30(2)(e) of the Act and the plaintiff, in turn, questions the validity of the registration of the defendant's trade mark. The provision then contemplates two situations. Where rectification proceedings are already pending before the Registrar or the High Court, clause (i) mandates that the suit be stayed pending their final disposal. Where no such proceedings are pending, clause (ii) requires the court trying the suit to first satisfy itself that the plea of invalidity is *prima facie* tenable. Only upon such satisfaction is an issue to be raised and the case adjourned for three months to enable the

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party concerned to approach the High Court for rectification of the register.

11. Sub-section (2) provides that if such an application is made within the time specified or extended, the trial of the suit stands stayed until the final disposal of the rectification proceedings. Sub-section (3), on the other hand, provides that if no such application is made, the issue as to validity is deemed to have been abandoned and the suit proceeds on the other issues. Sub-section (4) makes the final order in the rectification proceedings binding upon the parties and requires the suit to be disposed of in conformity with it in so far as the issue of validity is concerned, while sub-section (5) preserves the power of the court to pass interlocutory orders during the period of stay.

12. The scope of Section 111 of the Trade and Merchandise Marks Act, 1958, which is *pari materia* with Section 124 of the Act, was examined by the Supreme Court in ***Patel Field Marshal Agencies and Anr. v. P.M. Diesels Ltd. and Ors.,***[1]. The Court explained the interplay between a suit for infringement and the rectification jurisdiction in the following terms:

> *"30. The intention of the legislature is clear. All issues relating to and connected with the validity of registration has to be dealt with by the Tribunal and not by the civil court. In cases where the parties have not approached the civil court, Sections 46 and 56 provide an independent statutory right to an aggrieved party to seek rectification of a trade mark. However, in the event the Civil Court is approached, inter alia, raising the issue of invalidity of the trade mark such plea will be decided not by the Civil Court but by the Tribunal under the 1958 Act. The Tribunal will however come into seisin of the matter only if the Civil Court is satisfied that an issue with regard to invalidity ought to be framed in the suit. Once an issue to the said effect is framed, the matter will have to go to the Tribunal and the decision of the Tribunal will thereafter bind the civil court. If despite the order of the civil court the parties do not approach the Tribunal for rectification, the plea with regard to rectification will no longer survive."*

[1](2018) 2 SCC 112

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13. The Supreme Court went on to hold that the consequence of deemed abandonment under Section 111(3) of the 1958 Act is mandatory and affects the substantive rights of the parties, so that, in such a case, "the right to raise the issue of invalidity is lost forever", and the plea of rectification, upon abandonment, "must be understood to have ceased to exist". Thereafter, while dealing with the contention that the said provisions require leave of the civil court to move for rectification, the Court observed in paragraph 35 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.*"

14. The scheme of Section 124 of the Act, in the context of the abolition of the Intellectual Property Appellate Board, has also been considered by a Division Bench of this Court in ***Amrish Aggarwal Trading as M/s Mahalaxmi Product v. Venus Home Appliances Pvt. Ltd. & Anr.***[2]. The Division Bench held that "The mere institution of a rectification action does not result in a self-activating stay of proceedings." It was further held that the Trial Judge is required to examine the plea of invalidity on a *prima facie*

[2]2024 SCC OnLine Del 3652.

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basis, and upon finding that it raises a triable issue, "would be bound to stay further proceedings in the pending suit". The Division Bench also held that this obligation survives the abolition of the Intellectual Property Appellate Board and the vesting of the rectification jurisdiction in the High Court.

15. A conjoint reading of the statutory provisions and the aforesaid decisions makes it clear that Section 124 of the Act does not contemplate any permission or leave of the court trying the suit for the institution of a rectification petition. The right to seek rectification is an independent statutory right. What Section 124 of the Act regulates is the effect of rectification proceedings upon a pending suit for infringement. The satisfaction of the court trying the suit as to the *prima facie* tenability of the plea of invalidity is, therefore, not a permission to file a rectification petition. It is the condition upon which the plea of invalidity can be pursued so as to eventually have a bearing on the pending civil suit, and upon which the suit is to be stayed.

16. Coming to the facts of the present case, it is not in dispute that the petitioner has not, as yet, instituted any rectification petition against the registrations of the respondent. The application under Section 124 of the Act, in so far as it sought orders to enable the petitioner to institute rectification proceedings, was essentially in the nature of a request for permission. As noted above, such permission is not a requirement of law. Therefore, at this stage, since the rectification petitions themselves have not been filed, the question of permission does not arise, and the rectification petitions can be filed without permission. Whether, upon being filed, the same can be taken to their logical conclusion in view of the pendency of the suit, and what consequence they would have on the suit, are distinct aspects

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which shall be considered at an appropriate stage, in accordance with law.

17. It is for the aforesaid reasons that Mr. Suman, learned counsel on instructions, seeks leave to withdraw the present petitions with liberty to raise all the issues at an appropriate stage.

18. Accordingly, the petitions, along with the pending applications, are dismissed as withdrawn, with liberty as prayed for.

19. It is, however, clarified that the dismissal of the application of the petitioner under Section 124 of the Act by the impugned order shall not, by itself, be the sole reason for declining consideration of an application under Section 124 of the Act which may be filed by the petitioner at an appropriate stage. Any such application, if filed, shall be considered by the Commercial Court on its own merits and in accordance with law.

20. This Court has not expressed any opinion on the correctness of the impugned order, on the *prima facie* tenability of the plea of invalidity, on the validity of the registrations of the respondent, or on the merits of the claim of infringement and passing off.

21. All rights and contentions of the parties are left open.

PURUSHAINDRA KUMAR KAURAV, J

NOVEMBER 6, 2026/*da/nk*

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