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IN THE HIGH COURT OF DELHI AT NEW DELHI

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W.P.(C) 8028/2010

VISAKHA CHEMICALS

Through

..... Petitioner

Mr. Amit Jain with Ms. Priti,
Advocates

versus

THE CENTRAL GOVERNMENT OF INDIA

AND ANOTHER

Through

..... Respondents

Mr. Rahul Sharma with Mr. Ankit
Roy, Advocate for R-1.

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Date of Decision: 16th February, 2016.**CORAM:****HON'BLE MR. JUSTICE MANMOHAN****J U D G M E N T****MANMOHAN, J: (Oral)**

1. Present writ petition has been filed under Articles 226/277 of the Constitution challenging the order dated 19th March, 2010 passed by Intellectual Property Appellate Board in ORA/59/04/TM/DEL holding that Section 124 of the Trade Marks Act, 1999 is not applicable even though a prior suit for infringement was pending *inter se* between the parties.
2. In the present petition, it has been averred that the impugned order is contrary to the judgment of this Court in *Astrazeneca UK Ltd. and Anr. Vs. Orchid Chemicals and Pharmaceuticals Ltd., 2007 (34) PTC 469 (DB)*.
3. Present case was repeatedly adjourned to await judgment of the Full Bench in FAO (OS) 403/2012.

4. On 5th February, 2016, the Full Bench has disposed of the FO(OS) 403/2012 by holding as under:-

“ORDER OF COURT

This Full Bench therefore, in its unanimous opinion, holds that:

1. (a) IPAB has exclusive jurisdiction to consider and decide upon the merits of a plea of trademark registration invalidity – applying Section 47 and 57 of the Act- in the context of an infringement suit based on such registered trademark. Access to IPAB is not dependent on the civil court’s prima facie assessment of tenability of a plea of invalidity of trademark registration. In other words, Section 124 of the Trademarks Act does not control the choice of a litigant to seek rectification of a registered trademark.

(b) The decision in AstraZeneca UK Ltd. and Anr. v. Orchid Chemicals and Pharmaceuticals Ltd. 2007 (34) PTC 469 (DB) (Del) and all other judgments which hold that the plea of rectification can be raised by a party to an infringement suit, only if the court trying the suit, rules it to be prima facie tenable and that if such finding is not recorded, the party cannot avail the remedy of rectification of a registered trademark, is accordingly overruled.

2. This Court holds, by its majority judgment (Vipin Sanghi, J dissenting on this point) that the two situations whereby the infringement action is stayed, are when the rectification proceedings are instituted before the filing of the suit (Section 124 (1) (i)) and after the plea of invalidity is held to be prima facie tenable under Section 124 (1) (ii). In the first situation, if such plea exists, before the filing of the suit, the Court has to stay the suit to await the decision of the IPAB. In the second situation, if there is no application for rectification before the IPAB when the suit is filed and a party to the infringement suit, wishes to challenge it after the filing of the suit, it may do so, but the court

has to assesses the tenability of the invalidity plea- if it finds it prima facie tenable, then and then alone, would it stay the suit to enable the party to approach the IPAB within a time period. If the party does not avail of this, or approaches the IPAB after the period given, the court would proceed with the suit; the plea of invalidity is deemed abandoned in the infringement suit.

3. The appeal is, accordingly remitted for consideration of the merits by the concerned roster Division Bench on 11.02.2016, subject to the orders of Hon'ble the Chief Justice.

(emphasis supplied)

5. In view of aforesaid Full Bench judgment, present writ petition is dismissed.

MANMOHAN, J

FEBRUARY 16, 2016

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