



2025:DHC:6635-DB



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

+ **FAO (COMM)-92/2024**

M/S NAKODA FOOD MARKETING & ORS.Appellants

Through: Ms. Swathi Sukumar, Sr. Adv.
with Mr. Mohit Sharma, Ms. Shinkal Garg
and Ms. Aishwarya Amber, Advs.

versus

**M/S MAHESH EDIBLE OIL INDUSTRIES
LIMITED**

.....Respondent

Through: Ms. Varnika Bajaj, Adv.

CORAM:

HON'BLE MR. JUSTICE C. HARI SHANKAR

HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT (ORAL)

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07.08.2025

OM PRAKASH SHUKLA, J

1. The present appeal has been instituted by the appellants under Section 13 of the Commercial Courts Act, 2015 read with Order XLIII Rule 1(r) of the Civil Procedure Code, 1908¹, challenging an order dated 01.05.2024 passed by the learned Commercial Court, South District, Saket, New Delhi, by virtue of which (i) respondent's application under Order XXXIX Rules 1 and 2 of the CPC was allowed, by confirming the *ex-parte ad interim* injunction dated 30.01.2024 and (ii) the application of the appellants under Order XXXIX Rule 4 CPC was dismissed, the net result being that the

¹ "CPC", hereinafter



appellants were absolutely restrained from using the trademarks “SALONI” and the “SALONI” device.

2. The appellants claim to be owner of the Registered Trademark SALONI under Class 30 for preparations made from cereal (Namkeen) and seeds, claiming user of the mark SALONI since last three decades, whereas the respondent also claims to be the registered owner of the trademark “SALONI” and the “SALONI” device, including the pictorial label featuring a female figure, in various classes.

3. The facts relevant to the disposing of the present appeal would reveal that the respondent instituted *CS (COMM) No. 51/2024* before the learned District Judge (Commercial Court), invoking Sections 134, 135, and 29 of the Trade Marks Act, 1999². The suit sought, *inter alia*, a decree of permanent injunction restraining the appellants from using the impugned mark “SALONI” and related device marks, along with infringement of copyright in the artwork of the said trademark/label, passing off and other ancillary reliefs for rendition of accounts, delivery up, and damages.

4. The learned Commercial Court *vide* order dated 30.01.2024, granted an *ex parte ad interim* injunction under Order XXXIX Rules 1 & 2 CPC and appointed a Local Commissioner under Order XXVI Rule 9 CPC to carry out inspection at the appellants’ premises.

² “the Act”, hereinafter



2025:DHC:6635-DB



5. The Commission was executed on 06.02.2024, and during the course thereof, various products bearing the “SALONI” mark were seized from the appellants’ premises. Appearance was entered by the appellants on 22.02.2024, accompanied by an application under Order XXXIX Rule 4 CPC seeking vacation of the *ex parte* injunction.

6. Upon hearing the parties, the learned Commercial Court, by the impugned order dated 01.05.2024, dismissed the appellants’ application under Order XXXIX Rule 4 CPC and allowed the respondent’s application under Order XXXIX Rules 1 and 2 CPC, thereby making the *ad interim* injunction absolute pending final adjudication.

7. Notice of the present appeal was issued to the respondent and *vide* an order dated 30.05.2024, the appellants were directed to file a tabular statement indicating the details of the application made for registration of their trademark(s); disclosure made in those application regarding date of use of the trademark(s); whether there was any opposition to the said application; and the status of such application.

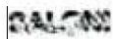



8. In the interregnum on 01.08.2024, the appellants were granted registration for the trademark “SALONI” in Class 30 under application No. 2149495 as of the date 25.05.2011 in respect of preparation made from cereals (Namkeen) and seeds.



2025:DHC:6635-DB









9. The appellant in compliance of the aforesaid order of this court, filed their statement vide an Affidavit dated 21.09.2024, which depicted the information in a tabular chart as herein below:

SN	App No.	Trade Mark	Class	Applicant's Name	Date of application	User Date	Status	Opponent details
1	883578	SALONI	30	NAKODA FOOD PRODUCTS PVT. LTD.	27-10-1999	25-10-2099	ABANDONED	
2	883577	SALONI	29	NAKODA FOOD PRODUCTS PVT. LTD.	27-10-1999	25-10-2099	ABANDONED	
3	2149497		29	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	25-05-2011	20-06-1998	OPPOSED	M/S MAHESH EDIBLE OIL INDUSTRIES LIMITED
4	2149495		30	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	25-05-2011	20-06-1998	REGISTERED	
5	2149496		35	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	25-05-2011	20-06-1998	RECTIFICATION FILED	M/S MAHESH EDIBLE OIL INDUSTRIES LIMITED
6	2262602		16	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	06-01-2012	20-06-1998	RECTIFICATION FILED	M/S MAHESH EDIBLE OIL INDUSTRIES



2025:DHC:6635-DB







								LIMITED
7	3299365	SALONI 	30	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	02-07-2016	10-11-2015	WITHDRAWN	
8	3299366	SALONI (DEVICE) 	35	MR. ANIL JAIN TRADING AS M/S NAKODA FOODS MARKETING	02-07-2016	10-11-2015	ABANDONED	
9	5655507	SALONI 	30	M/S MRN GLOBAL INDUSTRIES PVT. LTD.	20-10-2022	15-06-2013	OPPOSED	M/S MAHESH EDIBLE OIL INDUSTRIES LIMITED AND M/S BURNIE BRAES TEA CO.
10	5655506	SALONI 	29	M/S MRN GLOBAL INDUSTRIES PVT. LTD.	20-10-2022	15-06-2013	OBJECTED	
11	5906653	SALONI 	29	M/S MRN GLOBAL INDUSTRIES PVT. LTD.	24-04-2023	24-04-2023	OBJECTED	
12	5906654	SALONI 	30	M/S MRN GLOBAL INDUSTRIES PVT. LTD.	24-04-2023	24-04-2023	OBJECTED	
13	6155824	NAKODA SALONI	30	M/S NAKODA FOOD MARKETING	19-10-2023	19-10-2023	OBJECTED	



2025:DHC:6635-DB



								
14	6155823	NAKODA SALONI 	29	M/S NAKODA FOOD MARKETING	19-10-2023	19-10-2023	OBJECTE D	
15	6155822	NAKODA SALONI 	16	M/S NAKODA FOOD MARKETING	19-10-2023	19-10-2023	OBJECTE D	
16	6155825	NAKODA SALONI 	35	M/S NAKODA FOOD MARKETING	19-10-2023	19-10-2023	OPPOSED	M/S MAHES H EDIBLE OIL INDUST RIES LIMITE D

10. The appellants claim to trace the origin of their business to the year 1984, wherein their predecessors commenced operations under the trade name “Pappu Ji Ke Nakoda Namkeen” in Digthan, Madhya Pradesh. Subsequently, in 1991, the appellants shifted their base to Indore, Madhya Pradesh, and began operating under the name “Nakoda Sev Bhandar,” which gained local recognition in the snacks segment and according to them the mark “SALONI NAMKEEN” was adopted and introduced in the year 1993 under the aegis of “Nakoda Sev Bhandar.”

11. Thereafter, to streamline operations and diversify product lines, a separate sole proprietorship styled as *M/s Rishabh Trading Company*



2025:DHC:6635-DB



was established to handle the manufacturing and distribution of cooking oil, also marketed under the “SALONI” brand. Subsequently, the business of “Nakoda Sev Bhandar” was, on 21.10.1999, succeeded by the incorporation of *M/s Nakoda Food Products Private Limited*, which assumed control of the snack food operations. The cooking oil business, however, continued independently under the proprietorship of Mr. Anil Jain through *M/s Rishabh Trading Company*.

12. According to the appellant, operational restructuring took place on 01.05.2010, when *M/s Nakoda Foods Marketing* (appellant No. 1 herein) took over the activities previously undertaken by *M/s Nakoda Food Products Private Limited*. Thereafter, to support the expanding commercial operations, *M/s Nakoda Namkeen & Snacks Private Limited* (appellant No. 2 herein) was incorporated on 01.10.2013 as an internal trading vehicle and responding to the growing scale of the cooking oil segment under the “SALONI” label, *M/s MRN Global Industries Private Limited* (appellant No. 3 herein) was incorporated in 2018 to exclusively manage and expand that vertical.

13. After giving the aforesaid nomenclature of the appellants company, it has been submitted by the learned Counsel appearing for the appellants that the learned Commercial Court erred in granting an injunction in favour of the respondent despite the admitted and uninterrupted use of the mark “SALONI” by the appellants and their predecessors-in-title since the year 1993. It was urged that the respondent, having been aware of such use for a continuous period exceeding five years without taking any legal action, was estopped



from enforcing its rights, in view of the statutory bar under Section 33 of the Act, which mandates that no relief shall be granted in cases of acquiescence.

14. It was further contended that the respondent had approached the Court with unclean hands, having consciously suppressed the long-standing commercial use of the impugned mark by the appellants across various product lines, including namkeen and edible oil. According to the appellants, such suppression of material facts ought to have disentitled the respondent to any equitable relief.

15. It was also argued that the term “SALONI” is a commonly used personal name and an ordinary Hindi adjective meaning ‘graceful’ or ‘beautiful’, which renders it non-distinctive and incapable of exclusive appropriation. The appellants contended that in the absence of acquired distinctiveness, the respondent’s claim to exclusivity over such a descriptive expression was untenable in law. Lastly, it was argued that the appellants were granted registration for the trademark “SALONI” in Class 30 under application No. 2149495 as of the date 25th of May, 2011 in respect of preparation made from cereals (Namkeen) and seeds on 01.08.2024. It has been argued that after the registration of the trademark “SALONI” in their favour, the Act is also clear with respect to the situations where two or more persons are registered proprietors of identical or similar trademarks. It was argued that in such a situation, the exclusive rights conferred upon registration by the Act shall not entitle any one of them to use such exclusive rights against another. The exclusive rights conferred upon



registration to both the registered proprietors can equally be exercised by both of them against another infringer as he is the sole registered proprietor of the trade mark in terms of section 28(3) of the Act.

16. Learned Counsel for the respondent, on the other hand, supported the impugned order and contended that the respondent is the registered proprietor of the word mark and device mark “SALONI,” having statutory rights that deserve protection under Sections 28 and 29 of the Act. It was submitted that the respondent had adopted and used the said mark continuously and extensively in respect of edible oils, thereby acquiring significant goodwill and reputation.

17. It was further argued that the appellants’ use of an identical mark in respect of overlapping goods amounts to infringement, and that the defence of prior use was neither substantiated nor tenable in the face of the respondent’s statutory rights. Learned Counsel denied that the respondent had acquiesced in any manner, and submitted that the respondent had become aware of the infringing use only shortly before the institution of the suit. The plea under Section 33 of the Act was, therefore, stated to be misconceived and inapplicable.

18. It was also contended that the balance of convenience lay in favour of the respondent and that, unless restrained, the continued use of the infringing mark by the appellants was likely to cause deception and confusion among consumers. The impugned order, it was submitted, was well-reasoned and passed upon due consideration of the material on record.



2025:DHC:6635-DB



19. Learned Counsel appearing for the respondent supported the impugned order and submitted that the respondent is the registered proprietor of the word mark “SALONI” as well as the “SALONI” device mark, duly registered under the provisions of the Act, in respect of edible oils and allied goods. It was contended that the mark “SALONI” has been used by the respondent since the year 2000 and, over the years, has come to be exclusively associated with the Respondent's goods in the market. The respondent's products bearing the said mark are stated to enjoy a considerable presence in the northern parts of India and are widely advertised and promoted.

20. Learned Counsel further submitted that the appellants, by manufacturing and selling edible oils and other allied goods under the identical mark “SALONI” and a deceptively similar device mark, were infringing the statutory and common law rights of the respondent. Reliance was placed on the provisions of Section 29(1) and 29(2)(c) of the Act, to assert that the use of an identical mark in respect of identical goods amounts to infringement *per se*, and likelihood of confusion is to be presumed in such cases.

21. It was next contended that the defence of prior use set up by the appellants was not borne out from the documents on record and that no credible or continuous use of the mark “SALONI” prior to the respondent's adoption had been established. In any event, it was urged that such use, even if presumed, would not defeat the respondent's



2025:DHC:6635-DB



claim in view of its statutory registration and long-standing reputation in the relevant trade channels.

22. Dealing with the plea of acquiescence under Section 33, learned Counsel submitted that the same was without merit. It was specifically denied that the respondent had knowledge of the appellants' use of the impugned mark for a continuous period of five years prior to the institution of the suit. It was argued that the respondent became aware of the infringing use only in December 2023 and acted with due diligence by instituting the suit in January 2024.

23. The respondent has submitted that the trademark rights asserted by the appellants in respect of the mark "SALONI" are neither established in law nor demonstrated to be bona fide. It is pointed out that several trademark applications filed by the Appellants, including application No. 2262602 in Class 16 and application No. 2149495 in Class 30, are currently the subject of rectification proceedings and have remained unregistered for a considerable period of time, or stand abandoned.

24. In particular, it is contended that rectification and cancellation petitions have been duly instituted by the respondent before the Trademark Registry. Despite service of notice in the said proceedings, the appellants have failed to file counter-statements or any substantive reply. According to the respondent, this conduct evinces a lack of diligence and seriousness on the part of the appellants and undermines



2025:DHC:6635-DB



their plea of urgency and entitlement to equitable relief before this Court.

25. With respect to the appellants' subsequent assertion that application No. 2149495 stands registered, the respondent contends that such registration was obtained only after the grant of the interim injunction by this Court, and hence, cannot be relied upon to validate or support their rights at the relevant time when the suit was instituted. Furthermore, it is urged that since the said mark is presently under challenge in rectification proceedings, no statutory presumption of validity under Section 31 of the Act can be claimed by the appellants.

26. Having heard the learned Counsel for the parties, it would be profitable to note that the learned Trial Court has essentially passed the impugned injunction order on the premise that the respondent is the proprietor of registered trademark 'SALONI' and as such the defence of statutory acquiescence cannot be used against them. It has also weighed in the mind of the learned Trial court that although the appellants have claimed prior use of the trademark 'SALONI' and have filed various invoices in that regard, however none of the invoices mentioned the word 'SALONI', whereas the respondents had placed on records showing their usage of the mark since 1990. It was in this background that the learned Trial Court concludes that respondent is not only prior user of the trademark 'SALONI' but is also the registered proprietor of the same and consequently impugned injunction order was passed against the appellant.



2025:DHC:6635-DB



27. Apparently, the impugned order only relies on the infringement of the registered trade mark of the respondent and does not examine the aspect of passing off in detail. Most importantly, there is no finding with respect to the goodwill held by the respondents in the mark “SALONI”, so as to make out a case of passing off. Essentially, the impugned order, to the mind of this court has been passed on the sole ground that the appellants had infringed the registered trademark of the respondent “SALONI”.

28. While things stood thus, it has come on record that after the passing of the impugned order, the appellants were granted registration for the trademark “SALONI” in Class 30 under application No. 2149495 as of the date 25.05.2011 in respect of preparation made from cereals (Namkeen) and seeds, to which it has been contended by the respondent that although the TM application No. 2149495 was filed by the appellant in 2011, however the same remained unregistered till 2024 and came to be pursued only after the respondent were able to secure an interim injunction against the appellants. It has been also submitted that registration granted after the impugned order does not retrospectively validate any claim of honest or concurrent use and in any case, a rectification application has been filed by them before the Registry and as such the rectification proceedings are pending against the registered trade mark of the appellants.

29. No doubt, the registration of the trademark “SALONI” came to be registered in class 30 in favour of the appellants only on



2025:DHC:6635-DB



01.08.2024, i.e by the time when the present impugned order of temporary injunction had already been passed against the appellants. However, the fact remains that the application for the same was filed on 25.05.2011 and no credible evidence has been brought on records to show that the said trademark “SALONI” for cereals (Namkeen) and seeds had been abandoned or had not been in use by the appellants since the said date. In the given peculiar circumstances, the sole question which arises for consideration is as to whether the appellants would be entitled for any benefit of the said registration in the present appeal.

30. The power and scope of an Appellate Court, while entertaining an appeal against a temporary injunction stands settled by the Supreme Court in the celebrated judgment of ***Wander Ltd. V/s Antoox India P. Ltd.***,³ wherein their Lordship circumscribed the realms of consideration in the following words:

“In such appeals, the appellate court will not interfere with the exercise of discretion of the court of the first instance and substitute its own discretion, except where the discretion has been shown to have been exercised arbitrarily or capriciously or perversely, or where the court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions ... the appellate court will not reassess the material and seek to reach a conclusion different from the one reached by the court below ... If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court’s exercise of discretion.”

³ 1990 SCC OnLine SC 490



31. This Court has no doubt in its mind that while exercising its power in this appeal, it is not required to re-evaluate the entire case and see whether the grant or non-grant of injunction was properly granted or not, but has to test, if the trial court's discretion was exercised arbitrarily or perversely or in ignorance of the settled principle of law.

32. As far as the present case is concerned, the very fact of obtainment of the registered trade mark by the appellant after the temporary injunction does not constitute an automatic ground for setting aside the said injunction, however it definitely gives rise to a "change in circumstances", which has time and again held by the courts as a tool to examine whether the triple test of *prima facie* case, irreparable loss and balance of convenience have been foundationally altered post the said "change in circumstances". It would be apposite in this regard to examine the law on the said aspect. Order XXXIX rule 4 of the CPC, explicitly states:

"Any order for an injunction may be discharged, or varied, or set aside by the Court, on application made thereto by any party dissatisfied with such order:

***Provided** that if in an application for temporary injunction or in any affidavit support such application a part has knowingly made a false or misleading statement in relation to a material particular and the injunction was granted without giving notice to the opposite party, the Court shall vacate the injunction unless, for reasons to be recorded, it considers that it is not necessary so to do in the interests of justice:*

Provided further that where an order for injunction has been passed after giving to a party an opportunity of being heard, the order shall not be discharged, varied or set aside on the



application of that party except where such discharge, variation or setting aside has been necessitated by a change in the circumstances, or unless the Court is satisfied that the order has caused under hardship to that party.”

33. Thus, this court finds that a “change in circumstances” can be a good ground to vary or set-aside the temporary injunction, although granted earlier by this court or the learned Trial Court. Ideally, this matter could have been remanded to the Trial court for fresh adjudication of the temporary application, in the changed circumstances. However, since substantial time has lapsed during the pendency of the appeal, this court considering the peculiar circumstances and keeping in mind the objective of a commercial suit and having exercising its Jurisdiction as an appellate authority under the Commercial Division, feels its bounden duty to decide the matter, balancing the triple test of grant of temporary injunction by the learned Commercial Court with the rival submission of “changed in circumstances” in obtainment of the registration of the mark “SALONI” in class 30 in respect of preparation made from cereals (Namkeen) and seeds.

34. It gives rise to a ‘changed circumstance’, wherein the appellants have now metamorphosed to being a proprietor of a registered trade mark under the same class.

35. Thus, the question being poised to this court is whether the temporary injunction against the appellant, which have now metamorphosed to being a proprietor of a registered trade mark under



the same class, can be allowed to use the said trade mark or in other words, conversely, can at this stage the appellants be restrained from using the said mark in the classes in respect of which it has now obtained registration. The answer to the said question has to be negative for reasons to follow.

36. Although, the judgment of this Court in the case of *Raj Kumar v Abbott Healthcare Pvt. Ltd.*⁴ has brought out the right of two or more registered proprietors of trademarks which are identical with or nearly resemble each other to use the trademarks; none being in a position to sue the other, and each being empowered to sue other persons and as to the fate of the pending suit between them, however, this court finds that the correctness of the said decision has been referred to a Larger Bench for reconsideration.

37. Nevertheless, the Raj Kumar Case has been thoroughly discussed in *Abros Sports International Pvt. Ltd v Ashish Bansal And Ors*⁵ by this court, wherein one of us (J. C Harishankar,) held that the legal position, as clarified in the decision under consideration, is that once a trademark is registered, no suit for infringement ordinarily lies against its proprietor, as registration grants an exclusive right to use the mark under Section 28(1) of the Act. Where both parties possess registered marks, even if deceptively similar, no injunction can ordinarily be sought by one against the other. However, if the defendant's registration is relied upon as a defence under Section 30(2)(e), the plaintiff may challenge its validity. In such a case, the

⁴2014 SCC OnLine Del 7708

⁵2025 SCC OnLine Del 3410



court must assess whether the plea of invalidity is *prima facie* tenable, frame an issue accordingly, adjourn the suit for three months to enable the plaintiff to initiate rectification proceedings, and stay the trial if such proceedings are instituted within that period.

It goes on to say that:

“To our mind, if the reasoning in Raj Kumar Prasad is accepted, it would be starkly contradictory to Sections 28(1), 28(3), 29(1) to (4) and 30(2)(e) of the Trade Marks Act. It would also enable an action for infringement to be brought against the registered proprietor of a trademark, to injunct the use, by such registered proprietor, of the registered trademark, merely by incorporating, in the plaint, a plea regarding invalidity of the defendant's trademark. In other words, by a mere plea regarding the invalidity of the defendant's trademark, a plaintiff can completely divest a defendant of his right to exclusive use of his registered trademark, conferred and sanctified by Sections 28(1), 28(3) and 30(2)(e). To our mind, this appears to be impermissible.

(ii) Another serious aspect which appears not to have been considered by the Division Bench while returning the decision in Raj Kumar Prasad, is whether there can at all be a case of infringement by a registered trademark. Notably, there is no reference, in paras 15 to 18 of Raj Kumar Prasad, of Section 29 of the Trade Marks Act. The Division Bench has only referred to Sections 28(1) and 28(3). Before proceeding to Sections 28(1) and 28(3), which deal with the availability of reliefs against infringement, it has first to be seen whether any infringement can at all be said to exist, where the defendant's trademark is registered. If the statute expressly envisages infringement only by an unregistered trademark, the question of proceeding further to the availability of relief against infringement does not arise. With greatest respect, the Division Bench in Raj Kumar Prasad has not addressed itself to the question of whether there can at all be a case of infringement, where the defendant's trademark is registered.

(iii) To our mind, the answer to this question can only be in the negative. There are no two ways about it. Sections 29(1) and 29(4) clearly envisage infringement only by a person who is not the proprietor of a registered trademark or the permissive user thereof. Section 29 is a self-contained provision



insofar as the circumstances in which infringement can be said to exist is concerned. There is no other provision in the Trade Marks Act which envisages any circumstance which could amount to infringement. All circumstances in which infringement could be said to exist are contained in Section 29, and one cannot look outside Section 29, while examining whether infringement has, or has not, taken place.”

38. Subsequent thereto, this Bench again in its recently delivered judgment of *M/s Vaidya Rishi India Health Pvt. Ltd. & Anr. v Suresh Dutt Parashar & Ors*⁶, while referring to the judgment in *Raj Kumar v Abbot (supra)* held that, inasmuch as the decision in *Raj Kumar Prasad* does not take note of the binding precedent in *S. Syed Mohideen v P. Sulochana Bai*⁷, it must be regarded as *per incuriam* to the extent it permits an action for infringement to lie against the registered proprietor of a trademark for use of the said registered mark within the classes in which it stands registered. The ratio in *Raj Kumar Prasad*, being contrary to the law laid down by the Hon’ble Supreme Court, cannot be treated as good law. *S. Syed Mohideen v P. Sulochana Bai (supra)* stated that:

“28. However, what is stated above is the reflection of Section 28 of the Act when that provision is seen and examined without reference to the other provisions of the Act. It is stated at the cost of repetition that as per this Section owner of registered trade mark cannot sue for infringement of his registered trade mark if the appellant also has the trade mark which is registered. Having said so, a very important question arises for consideration at this stage, namely, whether such a respondent can bring an action against the appellant for passing off invoking the provisions of Section 27(2) of the Act. In other words, what would be the interplay of Section 27(2) and Section 28(3) of the Act is the issue that arises for consideration in the instant case. As already noticed above, the trial court as well as the High Court have granted the injunction in favour of the respondent on the basis of prior user as well as on the

⁶2025: DHC: 6644 -DB

⁷ (2016) 2 SCC 683



ground that the trade mark of the appellant, even if it is registered, would cause deception in the mind of the public at large and the appellant is trying to encash upon, exploit and ride upon on the goodwill of the respondent herein. Therefore, the issue to be determined is as to whether in such a scenario, the provisions of Section 27(2) would still be available even when the appellant is having registration of the trade mark of which he is using.”

39. This court in **Vaidya Rishi India (supra)** further held that this court is bound by the decision of **Syed Mohideen (supra)** of the Supreme Court and hence, no infringement suit may lie against a registered user by an unregistered user.

40. Moreover, Section 33 of the Act reads as:

“33. Effect of acquiescence.—

(1)Where the proprietor of an earlier trade mark has acquiesced for a continuous period of five years in the use of a registered trade mark, being aware of that use, he shall no longer be entitled on the basis of that earlier trade mark—

(a)to apply for a declaration that the registration of the later trade mark is invalid, or

(b)to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used, unless the registration of the later trade mark was not applied in good faith.

(2)Where sub-section (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark, or as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark may no longer be invoked against his later trade mark.”

41. Referring to Section 33 in **GSK Consumer Healthcare S.A v EG Pharmaceuticals & Ors⁸**, J. Endlaw states that Section 33 is placed in Chapter IV of the Act which starts with Section 27 whereof subsection 2 lays down that

⁸2019 SCC OnLine Del 10796



“.....nothing in the Trade Marks Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods or services of another or as services provided by another person, or the remedies in respect thereof. The Act itself, as per its preamble, is found to have been enacted to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks. Section 33 refers to the proprietor of an earlier trade mark. It does not refer to "registered proprietor or proprietor of an earlier registered trade mark". The Act makes a distinction between a "proprietor" and a "registered proprietor", with Section 2(v) thereof defining only the registered proprietor in relation to a trade mark as a person for the time being entered in the Register as proprietor of the trade mark. Thus when Section 33 refers to a "proprietor" as distinct from "registered proprietor", reference thereto is evidently to a proprietor of an earlier trade mark. Section 33 is found to be designed for the protection of a registered trade mark, by saving it from an action for passing off, by providing that if the proprietor of a mark has acquiesced in use of a registered trade mark for a period of five years, he/she shall not be entitled to apply for revocation of the mark or to oppose the use thereof. Reliance thereon by the senior counsel for the defendant in the facts of the present case is misplaced. The plaintiff herein is the registered proprietor of the subject trade mark "OTRIVIN", and thus Section 33 is not attracted.”

42. In the present case, while the appellants have a valid and subsisting registration for the SALONI mark in Class 30, it has no such registration in other classes. As such, no statutory rights accrue to the appellants in those unregistered classes. Further, the afore-extracted cases settle the law in favour of the registered owner in cases of infringement. Hence, apart from class 30, preparation of cereals (Namkeen) and seeds, appellants cannot enforce any statutory right available for infringement against the respondent.

43. Both the appellants and the respondent are registered proprietors of the mark SALONI under Class 30, albeit for different goods, the respondent for “Soya Chunks” and the appellant for



“Preparations made from cereals (Namkeen) and seeds”. As such, this is a case of co-existing registrations in the “Changed Circumstances”.

44. The appellant’s registration in respect of cereals (Namkeen) and seeds based goods remains valid and subsisting. It is settled law by Section 28 that a registered proprietor enjoys the exclusive right to use the mark in respect of goods for which it is registered, and is further protected under Section 30(2)(e), provided the usage is bona fide and limited to the scope of registration.

45. The respondent’s subsequent filing of a rectification petition on 28.09.2024, after the injunction order, cannot retrospectively affect the appellants’ rights, unless the procedure under Section 124 of the Act was strictly followed. *Vaidyarishi (supra)* states:

“That apart, even if we advert the Section 124(5) of the Trade Marks Act, that provision applies only in a situation in which the suit has suffered the rigor of the earlier provisions of Section 124. Section 124 envisages a situation in which the plaintiff challenges the validity of the defendant’s trademark or vice versa. Mr. Nagpal submits that the plaintiff has in fact pleaded, in its plaint, that the registrations held by the defendant are liable to be removed from the register of trademark and intends to move a rectification petition. The fact remains, however, that no such rectification petition has been moved till date.

Even if, the plaintiff were to plead invalidity of the defendant’s trademark, while a suit for infringement is pending, the consequences are expressly envisaged in Section 124 itself. In such a case, if the defendant pleads a section 32(e) defence, pleading the right to use its mark on account of registration, and the plaintiff challenges the validity of the defendant’s registration, the Court hearing the suit has first to satisfy itself that the challenge to the validity of the defendant’s registration is prima facie tenable. If the Court is satisfied that the challenge is prima facie tenable, it has to frame an issue in that regard and has to adjourn the suit by three months in order to enable the plaintiff to file a rectification action.



2025:DHC:6635-DB



If the plaintiff files a rectification application within three months and informs the Suit Court accordingly, Section 124(2) ordains that the trial of the suit would stand stayed till the rectification is decided. It is only in these circumstances that Section 124(5) applies, and clarifies that the stay of the suit would not inhibit the court from passing any injunction order.

In the present case, neither has the Suit Court examined that prima facie tenability of the respondent's challenge to the validity of the appellant's registration, nor has any issue being framed in that regard, nor has the suit being adjourned by three months in order to enable a rectification to be filed, nor has any order staying the proceedings in the suit being passed. As such, the circumstances in which Section 124 applies, has not even arisen in the present case."

46. In view of the above, and considering that the appellant is using the mark *SALONI* only for products covered by its registration, namely, "preparations made from cereals (Namkeen) and seeds", prima facie the appellant has been able to make out a case for variation of the impugned injunction order dated 01.05.2024. Further, the test of irreparable loss and balance of convenience for the use of the mark *SALONI* for the products as aforesaid cannot be altogether ruled out. Thus, in the peculiar facts of the present case, this court is obligated to vary the impugned order passed by the learned Trial Court.

47. For the aforesaid reasons, subject to the appellants using the *SALONI* mark only in respect of "preparations made from cereals (Namkeen) and seeds", covered by Class 30, the impugned order is quashed and set aside to that extent. It is made clear that this court has not made any observation on merits of the present case, which in any



2025:DHC:6635-DB



case has to be tested on the anvil of evidence produced by the parties before the learned Trial Court.

OM PRAKASH SHUKLA, J.

C.HARI SHANKAR, J

AUGUST 7, 2025/AT/gunn