KABC170007932026

IN THE COURT OF LXXXV ADDL. CITY CIVIL & SESSIONS JUDGE, AT BENGALURU (CCH-86)
(Commercial Court)

THIS THE 17th DAY OF MARCH 2026

PRESENT:

SRI.ARJUN. S. MALLUR. B.A.L.LL.B.,
LXXXV ADDL. CITY CIVIL & SESSIONS JUDGE, BENGALURU.

Com.M.A.NO.2/2026

BETWEEN:

1. M K Srinivasan
Aged about 59 years,
Son of M.K.Seetharam,
Residing At No.89, East Park Road,
Malleshwaram, Bangalore - 560055
Karnataka
Managing Director Of M K Srinivasan Systems Pvt Ltd

2. M/S M K Srinivasan Systems Pvt Ltd
Having its registered office at
No.33, 17th Cross
Malleshwaram
Bangalore – 560055
Karnataka

: PETITIONER/APPELLANT
(Represented by Sri.Shaik Imail Zabiulla, Advocate)

AND

1. Taurus Powertronics Private Limited
A company incorporated under the Companies Act,2013
Having its Office At No.26, 12th Main Road, 1st Block,
Rajajinagar, Bengaluru - 560010
Representative Mr M N Ravinarayan

2. M/S Taurus Powrtronics Systems
A partnership firm with its principle office,
At No.26, 12th Main Road
1st Block, Rajajinagar
Bengaluru - 560010

3. Mr. M N Ravinarayan
Aged about 62 years,
Son of Mr. M. N. Narasimhan,
Residing At L-404
Brigade Gateways, Dr Rajkumar Road
Rajajinagar, Bengaluru - 560055

4. Mrs. Gayathri Ravinarayan
Aged about 60 years,
W/o Mr. M N Ravinarayan,
Residing At L-404
Brigade Gateways, Dr Rajkumar Road
Rajajinagar, Bengaluru – 560055

: RESPONDENT
(Represented by Sri.Deepak Bhaskar, Advocate)

IA.No.I

Applicant/Plaintiff: M K Srinivasan and another

(Represented by SriShaik Imail Zabiulla , Advocate)

V/s

<u>Opponents/Defendants:</u> Taurus Powertronics Private Limited and others

(Represented by Sri.Deepak Bhaskar, Advocate)

(i)	Provisions under which the application is filed	Order XLI Rule 5 of CPC, R/w Sec.37(2)(b) of Arbitration and Conciliation Act,1996.
(ii)	Relief sought for	Staying the operation and execution and all further proceedings pursuant to the impugned order dated 27.02.2026 passed in A.C.No.479/2025 by the Learned Sole Arbitrator till disposal of the present appeal.
(iii)	The date on which the application is filed	06.03.2026
(iv)	Number of the application	I.A.No.1
(v)	The date on which the objections are filed by different opponents	10.03.2026
(vi)	The date on which the orders were passed on the said application	17.03.2026

ORDERS ON IA.NO.I

I.A.No.1 is filed by the appellant under Order XLI Rule 5 of CPC R/w Sec.37(2)(b) of Arbitration and Conciliation Act,1996 seeking staying the operation and execution and all further proceedings pursuant to the impugned order dated 27.02.2026 passed in A.C.No.479/2025 by the Learned Sole Arbitrator till disposal of the present appeal.

2. *Facts necessary for consideration under this application is as under:-*

The Appellants and the respondents are into the Arbitral proceedings in A.C.No.479/2025 before the Learned Sole Arbitrator with respect to the disputes arising out of a settlement deed dated 28.12.2021. Pursuant to the orders passed by the Hon'ble High Court of Karnataka in CMP No.135/2025 dated 08.07.2025 the Learned Sole Arbitrator has been appointed. Before the tribunal the appellants have filed a claim statement seeking a relief of permanent injunction restraining the respondents from infringing or in any manner using any word or logo similar to the trade mark 'TAURUS' or any of its variants, a permanent injunction restraining the respondents from directly or indirectly passing off their products by using the mark 'TAURUS' and for rendering

true and complete accounts of the profits illegally earned by infringing of the claimants trademark ‘TAURUS’.

3. In response the respondents have filed their statement of defence and also have raised a counter claim wherein they have sought for a relief of declaration declaring that the respondent No.3 is the prior user of the name and mark ‘TAURUS’ and to declare that the settlement deed dated 28.12.2021 is void and unenforceable and also to declare that the settlement deed dated 28.12.2021 is a nominal document not meant to be acted upon and for a consequential relief permanent injunction restraining the present appellants from acting or placing reliance in any form in furtherance of the settlement deed dated 28.12.2021. During the arbitral proceedings the present respondents filed an interim application seeking for temporary injunction and after hearing both sides the Learned Sole Arbitrator vide impugned order dated 27.02.2026 on I.A.No.2 issued an order of injunction restraining the present appellants from acting in furtherance of the settlement deed dated 28.12.2021 and consequently from using the name ‘TAURUS’ as

part of their branding and promotional material till disposal of the arbitral proceedings.

4. Aggrieved by the impugned order the present appeal is filed seeking setting aside of the same urging various grounds. Though an elaborate appeal memo is filed for the purpose of considering whether the stay has to be granted or not the relevant facts to be taken in to account are that prior to the commencement of the arbitral proceedings the present appellants had filed Com.A.A.No.168/2024 under Sec.9 of the A & C Act in which vide order dated 16.06.2025 there was an interim measure by way of permanent injunction against the respondents with respect to the trademark ‘TAURUS’ in consequence to the terms of the settlement deed. The said order came to be challenged before the Hon’ble High Court of Karnataka in Com. AP No.409/2025 and 441/2025 and the Hon’ble High Court of Karnataka while disposing off the appeal had observed that the name ‘TAURUS’ cannot be used by the present respondents as expressly directed by the Commercial Court under Sec.9 and all other contentions were left open to be adjudicated before the Arbitral Tribunal.

5. It is the contention of the appellant that under Sec.9 proceedings there is an express order restraining the

present respondents from infringing or passing off on the trade mark ‘TAURUS’. Prior to the said order under I.A.Nos.2 to 4 the Sec.9 Court had restrained the present respondents by way of a temporary injunction from infringing, passing off its products incorporating or misappropriating or directly or indirectly using the trademark ‘TAURUS’ or any other mark identically or deceptively similar till disposal of the proceedings. By way of the Sec.9 order dated 16.06.2025 the same has been made absolute till disposal of the arbitration proceedings. It is contended by the appellants that this Order has been affirmed by the Division Bench of Hon’ble High Court and therefore the Learned Arbitrator could not have passed an injunction order which runs counter to an injunction order already granted by the Court which is to be in force till conclusion of the Arbitral proceedings. On these grounds the appellant is seeking stay of the operation and execution of the interim order passed by the tribunal.

6. The respondent has been the caveator and on rendering appearance filed statement of objections contending that the primarily the appeal is not maintainable under Sec.37(2) of the Arbitration and Conciliation Act before this Forum as the appellant has

to challenge the said order only before the Hon'ble High Court of Karnataka. It is contended by the respondents that the learned sole arbitrator has rightly concluded that the present respondents are the prior users of the mark 'TAURUS' and that they originally manufactured and marketed the products under the brand name 'TAURUS' before outsourcing such manufacturing activities to the appellants and that the tribunal has recorded a finding that the respondents have been widely identified as being synonym with brand 'TAURUS' and that the appellants have acquiesced to the use of the mark 'TAURUS' by the respondents. It is submitted that the tribunal has rightly recorded a finding that the settlement deed was only a nominal settlement deed which no prudent business man can agree for the terms of it. The appellants would contend that the provisions of Order XLI Rule 5 of CPC are not applicable to the present proceedings and on these grounds seek for rejecting the application with costs.

7. Heard Sri. Vivek Subba Reddy Learned Designated Senior Counsel appearing for the Counsel on record for the appellants and Sri. C K Nanda Kumar, Learned Designated Senior Counsel appearing for the counsel on record for the respondents and perused the entire

material on record. Both sides have filed memo with several citations.

8. The points that arise for my consideration are as under:

(1) Whether the appellants at this stage have made out justifiable grounds for staying the operation and execution of the impugned order passed by the Learned Sole Arbitrator in A.C.No.479/2025 dated 27.02.2026?

(2) What order?

9. My finding on the above points are: -

Point No.1: In the **Affirmative.**

Point No.2: As per final order

for the following:

R E A S O N S

10. POINT NO.1:- Before dwelling upon the facts germane for considering whether the impugned order required to be stayed by this Court or not it is necessary to record a finding with regard to the maintainability of the present appeal. The Learned Designated Senior Counsel for the respondents would vehemently submit

that the present appeal is not at all maintainable before this Court as the interim order passed by the tribunal cannot be challenged under Sec.37(2)(b) and it has to be agitated only before the Hon'ble High Court of Karnataka. In support of his arguments he placed reliance upon the reliance upon judgment of Division Bench of Our Hon'ble High Court in ***Com. A.P. No.195/2024 dated 29.01.2026, Trinetramilan Product Protection Solutions Private Limited vs. A.S.Narayanan,*** *where the question for consideration before the Division Bench of our Hon'ble High Court was whether an appeal against an order rejecting an application under Order VII Rule 10 of CPC is maintainable under Sec.13 of the Commercial Courts Act 2015. The facts was that the an application under Order VII Rule 10 of CPC was filed by the defendant in a Commercial suit which came to be dismissed by the Trial Court and against the said order of dismissal the Hon'ble High Court in this decision has observed that the appeal cannot be maintained.* Such is not the prevailing facts of this case. Reliance is also placed on judgment of the ***Apex Court in (2018) 14 SCC 715 Kandla Export Corporation and another vs. M/s OCI Corporation and another,*** wherein with respect to the appeals maintainable against the orders passed

under the Commercial Court Act several observations have been made. The Learned Senior Counsel for the respondents also has placed reliance upon judgment of the Division Bench of Hon'ble Delhi High Court in ***CRP(SR) No.3663/2021 dated 12.04.2021, Rangarajan Narasimhan vs. The Chief Secretary,*** wherein similar observations has been made.

11. The present appeal has been filed under Order XLI Rule 5 of CPC R/w Sec.37(2)(b) of the Arbitration and Conciliation Act 1996. Sec.37 of Arbitration and Conciliation Act deals with respect to appealable orders and Sec.37(2) is with respect to appeal to a Court from an order of an Arbitral Tribunal and Sec.2(b) is with respect to appeals permitted from granting or refusing to grant an interim measure under Sec.17. The definition Court as defined under Sec.2(e) of the Act envisages that in cases of Arbitration other than International Commercial Arbitration the Principal Civil Court of original jurisdiction in a district having jurisdiction to decide the questions forming the subject matter of Arbitration if the same had been the subject matter of the suit. Sec.37(2) makes it clear that the appeal from an order granting or refusing to grant an interim measure lies to the Court having jurisdiction to

entertain the subject matter. Therefore the present appeal preferred before this Court is maintainable as it arises out of an interim order passed by the Learned Sole Arbitrator under Sec.17 of the Arbitration and Conciliation Act of 1996.

12. The Learned Designated Senior Counsel appearing for the respondent would vehemently submit that the Court under Sec.37(2)(b) should not ordinarily interfere with the interim measures granted by the tribunal and it should circumspect itself as to whether such an interference is warranted in the peculiar circumstances of the case. He would vehemently submit that unless a grave perversity is made out no such interference is called for. He would vehemently contend that there are absolutely no pleadings in the application contending that the impugned order passed exercising the interim measures under Sec.17 is in any manner perverse or patently illegal affecting the rights of the parties. Per contra the Learned Designated Senior Counsel for the appellants would vehemently submit that the Learned Sole Arbitrator has passed the impugned order in complete ignorance of an order earlier passed granting an injunction in favour of the present appellants which has also been affirmed by the Division Bench of the

Hon’ble High Court and when the Hon’ble High Court has expressly clarified that the present respondent shall not be entitled to make use of the word ‘TAURUS’ in their operations still the Arbitrator ignoring the same passes an counter injunction order which is in complete perversity and cannot be sustainable.

13. With respect to the caution to be exercised by the Courts while entertaining an appeal under Sec.37(2)(b) of the Arbitration and Conciliation Act against the interim orders the Learned Counsel for the respondent has placed reliance upon the following decisions.

1. 2025 SCC Online Dis Crt(Del) 39, Satyam Polyknits vs. Excel Vinyl Coating Pvt. Ltd wherein the District Court of Delhi at para 14 and 15 of the judgment observed as under.

> *Para 14:It is undisuptable that the exercise of jurisdiction by the Ld. Arbitrator, under Section 17 is fundamentally discretionary in nature. The Judicial interference, with the exercise of discretionary power, is, limited and circumscribed. It is settled by Hon'ble Supreme Court, in M.D., Army Welfare Housing Organisation v. Sumangal Services (P) Ltd., ((2018) 209 Comp Cas 154), that the jurisdiction of the Court under Section 37(2)(b) is even more limited than the jurisdiction which is exercised under Section 37(2)(a) or, for that matter, under*

Section 34. Such discretionary jurisdiction, as exercised by Ld. Arbitrator merits interference under Section 37(2)(b) only, where such an exercise is palpably arbitrary or unconscionable.

Para 15: Viewed from the settled perspective of guarded and sparing use of the powers under section 37(2)(b) of The A&C Act in only exceptional circumstances; and even more so when the exercise of discretion of Ld. arbitrator while passing the Order in question is not seen to be arbitrary or perverse in any manner, 1 do not find any or ground to interfere with the order made by the learned Sole Arbitrator

2. 2020 SCC Online Del 2099, Dinesh Gupta and others vs. Anand Gupta and others, wherein at paragraphs 64 and 66 it has been observed as under:

Para 64: There can be no gainsaying the proposition, therefore, that, while exercising any kind of jurisdiction, over arbitral orders, or arbitral awards, whether interim or final, or with the arbitral process itself, the Court is required to maintain an extremely circumspect approach. It is always required to be borne, in mind, that arbitration is intended to be an avenue for "alternative dispute resolution", and not a means to multiply, or foster, further disputes. Where, therefore, the arbitrator resolves the dispute, that resolution is entitled to due respect (2013) 1 SCC 641 19 AIR 2007 SC 2961 : (2007) 7 SCC 737 and, save and except for the reasons explicitly set out in the body of the 1996 Act, is, ordinarily, immune from judicial interference.

Para 66: In my opinion, this principle has to guide, strongly, the approach of this Court, while dealing with a challenge such as the present, which is directed against an order which, at an interlocutory stage, merely directing furnishing of security, by one of the parties to the dispute. The power, of the learned Sole Arbitrator, to direct furnishing of security, is not under question; indeed, in view of sub- clause (b) of Section 17 (1) (ii) of the 1996 Act, it cannot. The arbitrator is, under the said sub-clause, entirely within his jurisdiction in securing the amount in dispute in the arbitration. Whether, in exercising such jurisdiction, the arbitrator has acted in accordance 20 (2010) 3 SCC 34 21 (2016) 3 SCC 619 22 (2016) 4 SCC 179 with law, or not, can, of course, always be questioned. While examining such a challenge, however, the Court has to be mindful of its limitations, in interfering with the decision of the arbitrator, especially a decision taken at the discretionary level, and at an interlocutory stage.

3. (2021) 3 HCC (Del) 654, Sanjay Arora and another vs. Rajan Chadha and others, wherein at para 20 of the judgment it is observed as under:

Para 20: It is only, therefore, where the order suffers from patent illegality or perversity that the court would interfere with the order of the learned Arbitral Tribunal, under Section 37(2)(b). This is because, unlike appeals under other statutes or under the CPC, appeals against orders of arbitral tribunal are subject to the overarching limitations contained in Section 57 of the 1996 Act, read with the Preamble

thereto8, which proscribes interference, by courts, with the arbitral process, or with orders passed by learned Arbitral Tribunal, save and except on the limited grounds envisaged in the 1996 Act itself.

4. (2021) 3 HCC (Del) 731, World Window Infrastructure Private Limited vs. Central Warehousing Corporation, wherein it is observed as under:

The restraints which apply on the court while examining a challenge to a final a under Section 34 of the Arbitration and Conciliation Act 1996 equally apply to a challenge to an interlocutory order under Section 37(2)(b). In either case of the Court to be alive to the fact that by its very nature, the act frowns upon interfere with interlocutory orders could interference with the bird process while it is ongoing, which may frustrate, or impede, the arbitral proceedings. Views expressed by arbitrators while deciding applications under Section 17 we mterlocutory. They are not final expressions of opinion on the merits of the ase. They are subject to modification or review at the stage of final award. They do not in most cases irreparably prejudice either party to the arbitration Section 17 like Section 9 is intended to be a protective measure, to preserve the sanctity of the arbitral process. The pre-eminent consideration which weighs with the arbitrator while examining a Section 17 application, is the necessity to preserve the arbitral process and ensure that the parties before it are placed on an equitable scale. The interlocutory nature of the order

passed under Section 17 must inform the court. seized with an appeal against such a decision under Section 37. Additionally, the considerations which apply to Section 34 also apply to Section 37(2)(b).

It is not for the appellate court to reappreciate the findings of facts. The question of whether force majeure does, or does not, apply is, at all times, an issue to be decided on the facts. The Tribunal after examining the facts concluded th that the appellants situation was not such as would justify excepting it from its obligations under the agreement on the principle of force majeure. The court cannot revisit this decision, in exercise of its appellate jurisdiction under Section 37(2)(6) of the Arbitration and Conciliation Act. 1996.

5. (2021) 4 HCC (Del) 642, Augmont Gold Private Limited vs. One 97 Communication Limited, wherein it is observed as under:

In examining any challenge to an order passed by an Arbitral Tribunal, whether interlocutory or final, the court has to be mindful of the preamble to the Arbitration and Conciliation Act, 1996, as well as Section 5. The Act fosters the arbitral process. Every attempt is required to be made to promote the arbitral process, and more attempt at seeking to retard it, is required to be eschewed. This philosophy required to pervade the exercise of jurisdiction as much under Section 3721 under Section 34 of the Act. Added to this, is the need for judicial circumspection, when the order under challenge is discretionary

in nature, as in the present case. It is only in extreme cases that the court in exercise of its appellate jurisdiction finder Section 37, interferes with a discretionary order passed under Section 17. An order for deposit under Section 17(1)(1)(b) is fundamentally an order passed in exercise of its jurisdiction. Discretionary orders, by their very nature, are amenable 10 judicial interference to a far lesser degree than others. The scope of the court's jurisdiction under Section 37 is restricted. While remaining within those constraints, however, the court, in its appellate avatar, can modify the award, something which is outside the reach of the Section 34 Court Expressed otherwise, and more simply, having examined the award/order under challenge within the limited scope of Section 34 or Section 37, if the court finds that the interests of justice could be met by modifying the decision of the Arbitral Tribunal, it can do so under Section 37, but it cannot do so, under Section 34. This is one of the inevitable sequelae of the legislative dispensation on courts appellate jurisdiction over orders passed under Section 17. granting or refusing to grant interim protection.

14. The Learned Senior Counsel for the petitioner would vehemently submit that the impugned order passed under Sec.9 runs contrary to an earlier order of this Court wherein an injunction was granted in favour of the appellants which is now being unsettled by the impugned order and the same cannot be permitted in law. The Learned Senior Counsel would vehemently

submit in his rebuttal arguments that there cannot be an interim order Under Sec.17 which runs counter to the interim order passed by the Court under Sec.9 which would stand on a higher pedestal and the same also having been affirmed by the Hon'ble High Court. In support of his arguments he places reliance upon he decision of Hon'ble Orissa High Court in ***2025 SCC OnLine Ori 108 M/s Jaycee Housing Private Limited vs. Neelachal Buildtech and Resorts Pvt. Limited*** wherein at para 32 of the judgment it is observed as under:

> *Para 32: A plain reading of the provisions of the statute especially Sections 6 and 10(3) of the Commercial Courts Act would lead us to the inescapable conclusion that the court for the purpose of consideration of a commercial dispute even if it arises under the Arbitration and Conciliation Act, 1996 would be the commercial court and the appeal would, therefore, lie only to the Commercial Appellate Court, that is the District Court in the instant case.*

15. He also places reliance upon the following decisions in support of his argument that the bar under Sec.9(3) of the Act will not apply where an application under Sec.9(1) has already been entertained by the Court.

1. ***(2022) 1 Supreme Court Cases 712, Arcelor Mittal Nippon Steel India Limited vs. Essar Bulk Terminal Limited*** wherein it is observed as under:

> *Section 9(1) of the A&C Act 1996, as amended enables a party to an arbitration agreement to apply to a court for interim measures of protection before or during the arbitral proceedings, or at any time after an award is made and published, but before the award is enforced in accordance with Section 36 of the A&C Act, 1996. A civil court of competent jurisdiction thus has the jurisdiction to admit entertain and decide an application under Section (1) of the A&C Act, 1996, any time before the final arbitral award is enforced in accordance with Section 16 of the A&C Act. 1996. However, sub-section (3) of Section 9 of the A&C Act, 1996, provides that once an Arbitral Tribunal has been constituted, the Court shall act entertain an application under sub-section (1), unless the Court finds that circumstances exist which may not render, the remedy provided under Section 17 d efficacious.*
>
> *Sub-section (3) of Section 9 has two limbs. The first limb prohibit an application under sub-section (1) from being entertained once an Arbitral Tribunal hat been constituted. The second limb carves out an exception to that prohibition, if the Court finds that circumstances exist, which may not render the remedy provided sunder Section 17 efficacious.*
>
> *To discourage the filing of applications for interim measures in courts under Section 9(1) of*

the A&C Azt, 1996, Section 17 has also been amended to clothe the Arbitral Tribunal with the same powers to grant interim measures, as the Court under Section 9(1). The 2015 Amendment also introduces a deeming fiction. whereby an order passed by the Arbitral Tribunal under Section 17 is deemed to be an order of court for all purposes and is enforceable as an order of court. With the law as it stands today, the Arbitral Tribunal has the same power to grant interim relief as the Court and the remedy under Section 17 is as efficacious as the remedy under Section 9/1) There is, therefore, no reason why the Court should continue to take up applications for interim relief, once the Arbitral Tribunal is constituted and is in seisin of the dispute between the parties, unless there is some impediment in approaching the Arbitral Tribunal, or the interim relief sought g cannot expeditiously be obtained from the Arbitral Tribunal

2. Judgment of the Hon'ble Culcutta High Court in ***2023 SCC OnLine Cal 2051 Jaya Industries vs. Mother Diary Calcutta and another*** wherein at paras 11 and 12 it is observed as under:

Para 11:The brakes imposed by section 9(3) on this active engagement by the Court is only to preserve the sanctity of the arbitration. It is not to wrench territory from the Court despite the Court having put its mind to the matter meat included before it. Section 9(3) in any event contains an exception that the Court must also come to a finding that the relief prayed for would be equally and efficaciously available to

the parties under section 17 of the Act. This would also mean that the party who disputes the efficacy of interim relief before the arbitral tribunal and the one who opposes the Court from entertaining the application under section 9(1) must discharge their respective obligations with regard to the second limb of section 9(3)

Para 12: The intended object of section 9(3) is to allow the arbitral tribunal to consider the prayer for interim relief once the tribunal has been constituted. Section 9/3) aims to prevent multiple levels of hearing for the same relief. The section envisages a clockwise metion of considerations of the matter after an arbitral tribunal has been constituted. The hands of the clock however stop to tick where the Court has already gone into the matter. Permitting the partica to re agitate the matter in such cases before the arbitral tribunal would in effect rewind the clock which is not what section 9(3) intends.

3. 2024 SCC Online Cal 892, Synergy Ispat Private Limited vs. Orissa Manganese and Minerals Limited, wherein at para 38 it is observed as under:

Para 38: On perusal of the provisions of Section 9 of the Act, it reveals that interim measure can be allowed in favour of the petitioner who moves an application under Section 9 of the Act, either before the commencement of the arbitration proceeding, or during pendency of the arbitral proceeding, and even after making of the arbitral award "but before it is enforced in accordance with Section 36. It is therefore, clear

that an interim arrangement can be made under Section 9 of the Act, not only before and during the pendency of the arbitral proceedings, but also after the arbitral sward has been published

16. The Learned Senior Counsel for the petitioner in his rebuttal arguments contended that the settlement agreement is on the year 2021 which is now sought to be declared as null and void in a counter claim which is of the year 2025 and therefore it is clearly barred by limitation. He also further submitted that the Learned Arbitrator has grossly erred in concluding that the settlement agreement is a nominal agreement not intended to be acted upon and further submitted that a voidable document will continue to be in force until it is set aside by a competent civil Court and it continues to be binding so long as it is not canceled or set aside by a Court of competent jurisdiction. In support of his arguments he places reliance upon judgment of the Apex Court in ***2025 SCC OnLine SC 779 Nikhila Divyang Mehta and another vs. Hitesh P Sanghvi and others*** and judgment in ***2024 SCC OnLine SC 2929 Kursheed and Another vs. Shaqoor.*** It is pertinent to mention here that in this application the Court is only considered whether the impugned order passed by tribunal needs to be stayed or not and the questions of whether the counter claim is barred by

limitation and whether the settlement agreement is a nominal document or a truly intended and acted upon document are all matters to be decided in the course of arbitral proceedings which is still pending before the Learned Sole Arbitrator.

17. Keeping in mind the observations made by the Apex Court and other Hon'ble High Courts in the decisions cited supra by the Learned Designated Senior Counsels for the appellants as well as respondents, facts which discloses that the appellants and respondents entered into a settlement agreement dated 28.12.2021 and the dispute that is cropped up between the parties can be related to clauses 2.5.2 and 2.5.3 of the said agreement in which it has been mentioned that the present respondent group would not use any intellectual property including the registered trademark 'TAURUS' and it shall never register or use the trademark 'TAURUS' and further that the respondent would not challenge, contest or oppose the appellants using and renewal of the trademark 'TAURUS'. Thereafter the appellants filed an application under Sec.9 of the Arbitration and Conciliation Act 1996 seeking interim measures by way of temporary injunction restraining the present respondents from infringing and passing off

its products by using the appellants trademark ‘TAURUS’ in Com.A.A.No.168/2024. In the said petition the present appellants filed I.A.Nos.2 to 4 seeking injunctive relief which came to be allowed vide order dated 08.01.2025 restraining the present respondents from infringing or passing off on the trademark ‘TAURUS’. This order came to be challenged before the Hon’ble High Court of Karnataka in Commercial Appeal No.145/2025 wherein the Hon’ble High Court directed the Sec.9 Court to decide the Sec.9 petition on merits. Pursuant to the said direction the Sec.9 Court in Commercial A.A.168/2024 vide order dated 16.06.2025 disposed the same making absolute the temporary injunction order made on I.A.Nos.2 to 4 till disposal of the Arbitration Proceedings. Meanwhile the present respondents filed a suit in Commercial O.S.No.1771/2024 wherein they sought for a temporary injunctive relief to restrain the present appellants with respect to the use of mark ‘TAURUS’ and the designated Commercial Court vide order dated 29.07.2025 rejected the said application which has now attained finality.

18. The present respondents challenged the orders passed under Sec.9 petition before the Hon’ble High Court in Commercial Appeal No.409/2025 and vide

judgment dated 13.08.2025 the appeal came to be disposed off and in para 6 of the judgment the Hon'ble High Court has made the following observations:

> *In view of the above, we dispose of the present appeal by clarifying that the name "TAURUS cannot be used by the appellants as expressly directed by the learned Commercial Court: We also clarify that all rights and contentions of the parties are left open and the Arbitral Tribunal will adjudicate the disputes between the parties uninfluenced by any observations made in the impugned order*

19. By the above observations it is made clear that the appellants cannot use the name 'TAURUS' as expressly directed by the commercial Court. Therefore it is abundantly clear that the orders passed by this Court under Sec.9 passing an injunctive relief by way of interim measure restraining the present respondent from infringing or passing off on the appellants trademark 'TAURUS' which is to be in force till completion of the Arbitral Proceedings there could not have been interim order passed by the tribunal under Sec.17 granting a counter injunction in favour of the respondents.

20. The Learned Counsel for the petitioner also brought to the notice of the Court the clarification passed by the

Division Bench of our Hon'ble High Court pursuant to the judgment in Com.A.P.409/2025 and the order of clarification dated 23.08.2025 reads as under:

> *Para 5: This court had set at the operate part of the impugned order in paragraph 3 of the order dated 13. 08. 2025 The sate clearly indicted that appellants were restrained from using trade mark Taurus or any other mark identically or deceptively similar till the disposal of the case. It is thus clear that the restraint order was confined to using the mar 'Tarus or any other deceptively similar mark as a trademark. The appeal was also disposed of with a direction clarifying that the name Tarus cannot be used by the appellants as expressly directed by the learned commercial Court.*
>
> *3. We find there is no ambiguity in the order dated 13:08 2025. The same reads as under*
>
> *After some argument learned counsel for the appellants submits that a) there is no grievance its the subject to being clarified that the impugned order does not preclude appellants to using the corporate name and b) all rights and contentions of ht parties be kept open*
>
> *5. Learned senior counsel appearing for the respondents has no objection to the said suggestion.*
>
> *4. It is the context of the aforesaid submissions that this Court had expressly stated in paragraph 6 that the appeal is disposed of by clarifying that the name 'Tarus' cannot be used*

by the appellants as expressly directed by the learned commercial Court

5. in view of the above no further clarifications are required.

21. By way of a clarification as mentioned supra the Division Bench of our Hon'ble High Court has again made it clear that the present respondents cannot use the name 'TAURUS' as expressly directed by the Commercial Court. It is abundantly clear that till the completion of the arbitration proceedings the appellants are being restrained from infringing, passing off it products, incorporating or misappropriating directly or indirectly adopting or using the applicants trademark 'TAURUS' or any other mark identically or deceptively similar there to till disposal of the arbitration proceedings. Such being the case the impugned order dated 27.02.2026 which is by way of an order of injunction restraining the present appellants from acting in furtherance of the settlement deed dated 28.12.2021 and consequently from using the name 'TAURUS' as part of their branding and promotional material until disposal of the arbitral proceedings runs counter to a prior injunction order already existing in favour of the present appellants and being confirmed in the appeal proceedings and therefore such an order could not have

been passed. Hence considering prevailing facts and circumstances of the case I am of the opinion that a prima facie case is made out for staying the operation of the impugned order till disposal of the appeal.

22. It is also contended that for applying Order XLI Order 5 of CPC the order under appeal must be egregiously perverse. In support of the said contention reliance is place upon the judgment of the Hon'ble Kerala High Court in ***2021(4) KLJ 1004, Raveenddran vs. Lalitha and others*** wherein at para 5 it is observed as under:

> *Para 5: Going by the plain meaning of Order XL1 Rule 5, It provides for only stay of the proceedings under a decree or stay of execution of the decree. The provision does not empower the appellate court to stay the operation of the judgment Stay of operation of the judgment is not the same as staying the operation of the proceedings under a decree or staying the execution of a decree An order staying the operation of the Judgment will amount to staying the findings in the judgment, which cannot be done at the stage of admission.*

23. Reliance is also placed upon by Learned counsel for the petitioner on the decision of the Apex Court in ***2025 SCC OnLine SC 2153 Lifestyle Equities C.V. and Another vs. Amazon Technologies Inc*** wherein with

respect to stay of execution of money decree to be granted unconditionally it has observed in paragraphs 80 and 82 as under:

> *Para 80: Then the question is. Is there an established practice that the execution of money decree should not be stayed unless the judgment debtor deposits the decretal amount in court, and on such deposit, the successful party be permitted to withdraw the money on furnishing security to the satisfaction of the court. We do observe that in a large number of cases where a money decree is passed, this Court generally does not grant stay unless the defendant deposits the amount in court. But this appears to be a rule of prudence and not a principle of law of universal application. We also believe and hold that this practice based on the rule of prudence should ordinarily be followed by appellate court. The practice of not granting stay in money decrees except on condition that the decretal amount be deposited in the court, and the successful party be permitted to withdraw the same on furnishing security to the satisfaction of the trial court appears to have been well entrenched, and for good reasons.*
>
> *Para 82: Having regard to the case law discussed above and for reasons to be recorded, we are inclined or rather persuaded to take the view that the benefit of stay of execution of a money decree may be granted by the Appellate Court unconditionally, if it: is egregiously perverse; is riddled with patent illegalities; iii. is facially untenable, and/or iv. such other exceptional causes similar in nature*

24. In the present case the appeal is not against either the judgment or decree passed in the arbitral proceedings but it is only against an interim order under Sec.17 of the Act. Likewise the stay is sought is not against any interim order requiring payment of any amount of money but it is an interim injunctive order restraining the present appellants from infringing the defendants mark 'TAURUS' when they are already clothed with an injunctive relief prior restraining present respondents from infringing and passing off on the appellants mark 'TAURUS'. Hence under these circumstances it can be held without hesitation that at this stage the appellants have made out a ground for stay of the impugned order and the same would also not require any conditions to be imposed. Accordingly, I answer **Point No.1 in the Affirmative.**

25. <u>POINT NO.2:-</u> For the aforesaid reasons, I pass the following:

<u>ORDER</u>

I.A.No.I filed by the appellants under Sec.37(2)(b) of the Arbitration and Conciliation Act 1996, R/w Order XLI Rule 5 of CPC is hereby ***allowed***.

The operation and execution of the impugned order dated 27.02.2026 passed by the tribunal in

A.C.No.479/2025 on I.A.No.2 is hereby ***stayed till disposal of this appeal.***

(Dictated to the Stenographer Grade-III, transcribed by her, corrected and then pronounced by me in open court on this the **17th day of March, 2026)**

ARJUN SRINATH MALLUR

Digitally signed by ARJUN SRINATH MALLUR
Date: 2026.03.18 16:24:47 +0530

(ARJUN. S. MALLUR)
LXXXV Addl.City Civil & Sessions Judge,

Bengaluru.