OIPD-1

ORDER SHEET

IP-COM/11/2026
IN THE HIGH COURT AT CALCUTTA
INTELLECTUAL PROPERTY RIGHTS DIVISION

MALHOTRA INTERNATIONAL PRIVATE LIMITED
VS.
ROHAN MALHOTRA AND ORS.

BEFORE:
The Hon'ble JUSTICE ARINDAM MUKHERJEE
Date: 14th October, 2026.

Mr. Debnath Ghosh, Sr. Adv., Mr. Biswaroop Mukherjee,
Advocate for the plaintiff.

The Court : The plaintiff intends to institute a suit for infringement and passing off by presenting the plaint which has appeared in the list. The plaintiff says that its registered trademark "PANAMA", "PANAMA PLUS" has been infringed by the defendants. On a perusal of the plaint it appears from paragraph 15 that the defendant no.1 has filed a rectification application against the plaintiff's registered trademark on 25th March, 2026 thereby denying the validity of such mark. The plaintiff has filed its counter affidavit to the said proceedings on 15th May, 2026 thereby disclosing its stand against the challenge to the validity of its mark. In paragraph 16 of the plaint it is stated that the defendant no.2 who is an associate of defendant no.3 has applied for registration of the mark "Panamark" and other deceptive marks, all on a "proposed to be used" basis on 23rd April, 2026 which has been advertised on 29th June, 2026. The plaintiff also says in paragraph 17 of the plaint that the defendant no.3 who is controlled by defendant no.1 has applied for registration of a deceptively similar mark

"PANAMA" and other deceptive marks on 1st September, 2026 with a statement "proposed to be used" which has been advertised on 28th September, 2026. "PANAMA" is one of the plaintiff's registered mark so the plaintiff says that the cause of action to file the suit for the first time arose in September end and has approached the Court at the earliest. It is also the case of the plaintiff that the application for rectification made by the defendant no. 1 did not give the plaintiff a cause of action against infringement, it accrued only when the plaintiff was able to locate the deceptively similar product sold in market by the defendants.

In Section 124 of the Trade Marks Act, 1999 (hereinafter referred to 'the 1999 Act') it has been provided that where in any suit for infringement of a trade mark – the defendant pleads that registration of the plaintiff's trade mark is invalid or where any proceedings for rectification of the register in relation to the plaintiff's trade mark are pending before the Registrar or the High Court, the Court can stay the suit pending the final disposal of such proceedings. However, under Section 124(5) of the 1999 Act as relied upon by the plaintiff it is provided that the stay of a suit for infringement of a trade mark under the said section shall not preclude the court from making any interlocutory order including any order granting an injunction, directing account to be kept, appointing a receiver or attaching any property during the period of stay of the suit. The provisions of Section 124 of the 1999 Act proceeds with a fact situation where during the pendency of the suit, a rectification application is filed or the validity of the registered mark is challenged. In the instant case, the suit is sought to be instituted after the rectification application is filed and the defendants have applied for registration of the mark.

The plaintiff has sought for leave under Order II Rule 2 of the Code of Civil Procedure, 1908, leave under Clause 14 of the Letters Patent, 1865 and dispensation with the formalities under Section 12A of the Commercial Courts Act, 2015 (hereinafter referred to as '2015 Act'). So far as leave under Order II Rule 2 is concerned, in view of the pleading in the plaint the Court at the time of presentation of plaint has to proceed by accepting such statement to be correct and cannot go into any enquiry in respect thereof. So far as leave under Clause 14 of the Letters Patent, 1865 is concerned, in view of the statements made in the plaint the Court is not required to go into any further enquiry at this stage of presentation of plaint. The main issue, however, is the dispensation with the provision of Section 12A of the 2015 Act which is a mandatory provision as held by the Hon'ble Supreme Court in *(2022) 10 SCC 1 (Patil Automation Private Limited And Others Vs. Rakheja Engineers Private Limited*). The ratio in Patil Automation (supra) is followed in the case of *Yamini Manohar Vs. TKD Keerthi reported in 2023 SCC OnLine SC 1382*. The Hon'ble Supreme Court in Yamini Manohar (supra) has clearly held that the Court at the time of institution of the suit shall make a limited enquiry to find out whether a mandatory provision of Section 12A of the 2015 Act is tried to be by-passed and/or circumvented.

In the instant case the rectification application has been filed on 25th March, 2026 to which the plaintiff has used a counter affidavit as far back as on 15th May, 2026. The plaintiff was aware of the defendants' act and action at least six months ago. Going by the provisions of Section 124 (1) (a) and (b) of the 1999 Act in a suit for infringement the Court in the event there is a rectification proceedings is pending can stay the suit. The provision of Section 124(5) of the 1999 Act as relied upon by the plaintiff

does not come to the plaintiff's aid as in the instant case the rectification application has been filed much prior to the plaintiff coming to this Court seeking redressal to infringement of its registered trademark. This provision under Section 124(5) of the 1999 Act would have been applicable if during the pendency of the suit a rectification application had been filed pursuant to which the Court had passed an order of stay of the suit. Even though in such a case there was a challenge to the validity of the plaintiff's registered trademark, the suit was pending. In the instant case, the suit has not been instituted. In a case where the validity of the registered trade mark is raised or a rectification application is pending the Court can stay the infringement part and allow the passing-off action to continue.

In the aforesaid facts and circumstances, I do not find any contemplation of urgent interim relief in connection with the infringement action. The plaintiff, however, can contemplate urgent interim relief with regard to the passing-off action but the statements contained in the plaint are so interwoven and interlinked that it is neither possible nor permissible in law to bifurcate the plaint and allow dispensation of the formalities under Section 12A in respect of the passing off action.

In such facts and circumstances, the prayer for leave for dispensing with the formalities under Section 12A of the 2015 Act is refused. The plaint is directed to be returned to the plaintiff with the court fees to enable the plaintiff to comply with the provisions of Section 12A of the 2015 Act and then institute the suit if permissible in accordance with law. The plaintiff will be entitled to use the court fees for institution of the suit after complying with the formalities of Section 12A of the 2015 Act.

Since the plaint has been only filed in the Central Filing Department of this Court for which a suit number has been provided to enable the plaintiff to present the plaint for institution of the suit, the plaint does not formally enter the records of the Court unless it is presented and admitted. The department, therefore, is directed to de-register the suit number from the data base of this Court after completion of all formalities so that the suit is not shown as pending because of the number having been allotted to it on being filed in the Central Filing Department.

(ARINDAM MUKHERJEE, J.)

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