

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

% Order delivered on: 29<sup>th</sup> October, 2014

+ **CS (OS) No. 1518/2008**

DELHI PUBLIC SCHOOL SOCIETY .....Plaintiff

Through Mr.Puneet Mittal, Adv. with  
Mr.Nitain Sharma, Adv.

versus

DPS TRUST & ORS. ....Defendants

Through Defendants are ex-parte

**CORAM:  
HON'BLE MR.JUSTICE MANMOHAN SINGH**

**MANMOHAN SINGH, J.**

1. The plaintiff has filed the present suit for permanent injunction restraining passing off, infringement, rendition of accounts and damages against the defendants in respect of 'DPS' and 'Delhi Public School'.

2. It has been stated in the plaint that the plaintiff is a registered society registered under the provisions of Societies Registration Act, 1860. It was initially registered as Delhi Public School. In the year 1962 the name of the society was changed to Delhi Public School Society. The plaintiff society was formed with an object to establish progressive schools or other educational institutions in

Delhi or outside Delhi, open to all, without any distinction of caste and creed.

3. After establishing the society by the name of “Delhi Public School”, the then members of the society in order to achieve the aims and objectives of the plaintiff decided to establish their first school in the year 1949. It is averred that the name Delhi Public School and the logo has become a mark which is identified with the name of the plaintiff society.

4. The plaintiff society came into existence in the year 1949 and since then it is using the word DELHI PUBLIC SCHOOL & DPS. The plaintiff is using the aforesaid logo, crest before the enactment of the Emblems and Names (Prevention of Improper Use) Act, 1950.

5. The schools established by the plaintiff society are known as Delhi Public School and are more popularly identified with the branch names e.g. if the school is established in Rohini, then it is known as Delhi Public School, Rohini and the public at large and students, staff etc. refer the same as “DPS” as well.

6. The plaintiff-society has got registered variety of trademarks in class 16, 35, 36, 41 and 42. Details of registered trademarks are as under:

S.No.	Class	Goods Description	Journal No.	Status	Trade Mark
1.	36	Insurance, Financial Affairs, Monetary Affairs, Real Estate Affairs.	Supp.: 1398-0	Registered vide No.1608955	DPS
2.	36	Insurance, Financial Affairs, Monetary Affairs,	Supp.	Registered vide	Image Delhi Public

		Real Estate Affairs.	1399-0	No.1608948	School (Device OF Torch in hand)
3.	41	Education, Providing of Training, entertainment, sporting and cultural affairs.	Supp.: 1399-0	Registered vide No.1608949	Image Service Before Self, Delhi Public School (Device OF Torch in hand)
4.	42	Services for providing Food & drinks, school canteens, hostel accommodation, medical services, computer programming, scientific & industrial research.	Supp.: 1399-0	Registered vide No.1608950	Image Delhi Public School (Device OF Torch in hand)
5.	16	Paper, cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs stationary; adhesives for stationary or household purposes; artists, materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers type; printing blocks.	Supp.: 1398-0	Registered vide No.1608951	<b>DPS</b>
6.	35	Advertising, business management, business administration, office functions.	Supp.: 1398-0	Registered vide No.1608952	<b>DPS</b>

7.	16	Paper, cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs stationary; adhesives for stationary or household purposes; artists, materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers type; printing blocks.	Supp.: 1399-0	Registered vide No.1608946	Image Service Before Self, Delhi Public School (Device OF Torch in a hand)
8..	35	Advertising, business management, business administration, office functions.	Supp.: 1399-0	Registered vide No.1608947	Image Service Before Self, Delhi Public School (Device OF Torch in a hand)
9.	41	Education, providing of training; entertainment; sporting and cultural activities.	Supp.: 1398-0	Opposed	<b>DPS</b>
10.	42	Services for providing Food & drinks, school canteens, hostel accommodation, medical services, computer programming, scientific & industrial research.	Supp.: 1407-0	Advertised bef acc	<b>DPS</b>

7. The plaintiff has also obtained registration of its Logo under the Copyright Act vide Application No. 219 dated 23<sup>rd</sup> September, 2010, which was granted by the Trade Mark Registry. Copy of certificates issued by Trade Mark Registry under Trade Mark Act are exhibited as EX. PW-1/D (colly)(OSR). Copy of certificates issued by Trade Mark Registry under Copyright Act is exhibited as EX. PW-1/E (colly)(OSR).

8. The details of the schools run by the society are available on the website of the plaintiff society and all the schools run or established under the aegis of plaintiff society are using the same name i.e. Delhi Public School/ DPS and the crest/Logo as adopted by the plaintiff.

9. It is stated that the plaintiff society is running / managing the following schools:

**CORE SCHOOLS :**

- a) Delhi Public School, Mathura Road.
- b) Delhi Public School, R. K. Puram.
- c) Delhi Public School, Noida.
- d) Delhi Public School, Vasant Kunj
- e) Delhi Public School, Faridabad
- f) Delhi Public School, Greater Noida
- g) Delhi Public School, Bulandshahr
- h) Delhi Public School, Rohini
- i) Delhi Public School, Dwarka
- j) Delhi Public School, Saket
- k) Delhi Public School, Navi Mumbai

**Schools functional (within India) as on 22.07.2008**

<b>S.No.</b>	<b>Name of school</b>
1.	DPS Agra
2.	DPS Ahmedabad
3.	DPS Ahmedabad, East
4.	DPS Aligarh
5.	DPS Allahabad
6.	DPS Ambala
7.	DPS Amritsar
8.	DPS Anantnag
9.	DPS Bahadurgarh
10.	DPS Bangalore (East)
11.	DPS Bangalore (North)
12.	DPS Bangalore (South)
13.	DPS Bareilly
14.	DPS Bathinda
15.	DPS Bhagalpur
16.	DPS Bhilai
17.	DPS Bhiwani
18.	DPS Bhopal
19.	DPS Bhubaneswar (Kalinga)
20.	DPS Bilaspur
21.	DPS Bokaro

22. DPS Budgam
23. DPS Chandigarh
24. DPS Damanjodi
25. DPS Dehradun
26. DPS Dhaligaon
27. DPS Dhanbad
28. DPS Digboi
29. DPS Dimapur
30. DPS Duliajan
31. DPS Durg
32. DPS Eldeco (Lucknow)
33. DPS Farakka
34. DPS Gandhidham
35. DPS Gandhinagar
36. DPS Ghaziabad  
(Indirapuram)
37. DPS Gurgaon
38. DPS Guwahati
39. DPS Gwalior
40. DPS Hapur
41. DPS Harni, Vadodara
42. DPS Hisar
43. DPS Hyderabad
44. DPS Indore

45. DPS Itanagar
46. DPS Jaipur
47. DPS Jammu
48. DPS Jamshedpur
49. DPS Jhakri
50. DPS Jodhpur
51. DPS Kamptee Road,  
Nagpur
52. DPS Kanpur
53. DPS Kanpur (Mainawati Mg)
54. DPS Karnal
55. DPS Kashi (Varanasi)
56. DPS Katra
57. DPS Kolkata (Mega City)
58. DPS Kolkata (New Town)
59. DPS Kolkata (Ruby Park)
60. DPS Korba
61. DPS Leh
62. DPS Lucknow (Indira  
Nagar)
63. DPS Ludhiana
64. DPS Manali
65. DPS Maruti Kunj
66. DPS Mathura Refinery

67. DPS Meerut
68. DPS Moradabad
69. DPS Nagpur Road, Jabalpur
70. DPS Nalco Nagar
71. DPS Nazira
72. DPS Nigahi
73. DPS Numaligarh
74. DPS Palwal
75. DPS Panipat City
76. DPS Panipat Refinery
77. DPS Patna
78. DPS Pinjore
79. DPS Pune
80. DPS Raipur
81. DPS Rajkot
82. DPS Rajouri
83. DPS Ranchi
84. DPS Ranipur
85. DPS Rewari
86. DPS Rohtak
87. DPS Rourkela
88. DPS Sainikpuri  
(Secundrabad)
89. DPS Sanskardhani

90. DPS Secundrabad  
(Mahendra Hills)
91. DPS Silliguri
92. DPS Sonapat
93. DPS Srinagar
94. DPS Surat
95. DPS Sushant Lok
96. DPS Udaipur
97. DPS Udampur
98. DPS Vadodara
99. DPS Varanasi
100. DPS Vidyut Nagar
101. DPS Vijaipur
102. DPS Vijaywada
103. DPS Vindhyanagar
104. DPS Visakhapatnam
105. DPS YamunaNagar,  
Jagadhari

LIST: of Schools functional ( ABROAD) as on 22.07.2008

- 106(1) DPS Kuwait
- 107(2) DPS Dharan (Nepal)
- 108(3) TDIS Indonesia
- 109(4) DPS Dubai
- 110(5) DPS Birgunj

111(6)	NMS Bahrain
112(7)	DPS I Singapore
113(8)	DPS Riyadh
114(9)	DPS Kampala
115(10)	DPS Jeddah
116(11)	DPS Sharjah
117(12)	MIS Doha
118(13)	DPS Biratnagar, Nepal

9. It is averred that the use of the mark 'DPS' and the words 'Delhi Public School' are so extensive that the said mark and the words have always been perceived by the general public as indicative of the source of the plaintiff and the aforesaid words are, therefore, associated by the general public with plaintiff and nobody else.

10. For the last more than 50 years of service in the field of imparting education, the plaintiff society has produced lacs of students who are occupying prominent and prestigious positions in both Government as well as Private Service and are doing very well in life. The staff members of the school have also attained distinction in the field of education and have been awarded with the prestigious awards by the Government.

11. Defendant No.1 is stated to be a non-profit organization registered under the Trusts Act which works in many spheres promoting education, health, self-employment and vivid other

activities. It is averred that the trust traces its foundation in April 2003 and the prime objective behind establishment was utilization of immense academic experience of Delhi Public School. Printouts from the website of defendants i.e. www.dpstrust.com is exhibited as EX. PW-1/F.

12. The said trust also purported to have created specialized play home for kids in the form of DPS Kids as also the DPS Competitive Wing for curriculum guidance for 11<sup>th</sup> and 12<sup>th</sup> apart from giving them sharp competitive edge through its competitive tutorial. Prospectus issued by the defendants for DPS Alwar, printouts of website and syllabus are exhibited as EX. PW-1/G (colly).

13. It is stated in the plaint that among the Board Members of defendant No.1, the following are claimed to be the Board members:

- 1) Shri S.N.Sharma, NRI (Chairman)
- 2) Shri V.P.Sinha (Vice Chairman)
- 3) Dr. Rita Parasar (President)
- 4) Shri R.N.Sharma (Vice President)
- 5) Shri R.S.Parasar (Secretary)
- 6) Shri Rajeev Ranjan Singh (Asstt. Secretary)
- 7) Prof. (Dr.) K.K.Jha (Member Higher Education)
- 8) Shri P.N.Singh (Member Engineer)
- 9) Shri V. Kumar (Hony. Treasurer)
- 10) Smt.B.Singh (Trustee)
- 11) Km.Pallawi Priya (Trustee)
- 12) Km.Kajali Priya (Trustee)

- 13) Shri Ravi Shanker (Trustee)
- 14) Shri S.K.Singh (Adv. High Court) (Legal Advisor)
- 15) Shri R.K.Singh (Adv) (Asst.Legal Advisor)  
Nominee of the Director of Education
- 16) Proff.M.M.Alam (Retd. Proff. M.I.T.)
- 17) Dr.(Mrs.) R. Wats

14. Defendants No.2 to 17 are the office bearers of the defendant No.1-Trust and thus managing the day to day affairs of the defendant no. 1.

15. It is averred in the plaint that defendant No.1 is having its office at Hirak Road, Rahul Chowk, Katras Bazar, Dhanbad (Jharkhand). However, they are apparently carrying on their illegal business throughout the country and offering franchises. However, the exact situation of defendants could only be discovered after discovering the present action. It is further stated that the defendants have themselves admitted the fact that they are using impugned logo/crest mark of the plaintiff society which shows that the defendants are wilfully misusing the crest/logo/mark of the plaintiff and are illegitimately cashing in upon the goodwill acquired by the plaintiff. It is averred that the defendants are not only using the name and logo of the plaintiff society but deliberately and malafidely cheating innocent public at large and on many occasions represented itself as a part of the plaintiff society. As also that the defendants have acquired a distinct identity for themselves of fly by night operator with no permanent place of

business and no responsible persons claiming to at the helm of its affairs.

Somewhere in 2007, the plaintiff-Society, at their registered office at F Block, East of Kailash, New Delhi, found that the trust under the name and style of Delhi Public School (DPS) has nothing to do with the plaintiff's school for carrying out in clandestine manner identical name, logo and crest mark of plaintiff and further issued advertisement in a manner that it has direct connection with the plaintiff.

16. On discovery, it is alleged by the plaintiff that it immediately took steps in order to find the details about the misuse of its name, reputation, goodwill and mark 'DPS' and the words "Delhi Public School' and it was found that the defendant no. 1 was running the impugned institution with branches under the name of "DPS" and inviting franchisee enquiry under the name "DPS Kids". The defendants have not disclosed the cities in which they are operating, not even the basics of the particulars of the defendants are reliable. In fact the list of trustees etc. on the board of the trust, have all been proceeded ex-parte as they could not be traced and they despite knowledge have also chosen not to contest the present suit.

17. However, the plaintiff was able to find that the defendants were using the mark DPS and the words Delhi Public School, which were deceptively similar and the said act was done deliberately by the defendants so as to ride the goodwill of the

plaintiffs and create absolute confusion in the minds of general public about the source and affiliation of the defendant's institution. The advertisement of the defendant no. 1 along with other documents indicating the illegal acts done by the defendants have been filed along in the list of documents.

18. From the material placed on record, it is evident that the defendants with a dishonest, ulterior and malafide intention to ride upon the goodwill and reputation of the plaintiff which has been built over years of hard work, dedication and honesty and with an intention to earn illegal profits have adopted and are using the mark 'DPS' and the words 'Delhi Public School' which is visually, phonetically identical to the plaintiff's mark 'DPS' and words 'Delhi Public School'. The general public would definitely be confused by the said acts of the defendants and in ordinary circumstances would attribute the defendants' illegal institution as that emanating from the plaintiff. The said acts of the defendants are nothing but a fraud and cheating upon the plaintiff as the defendants have deliberately and consciously plagiarized the plaintiff's mark and the word 'Delhi Public School'.

19. The confusion and deception amongst the common people and parents is the basic intent and ulterior motive of the defendants and such consequence is inevitable on account of the illegal adoption of the marks of the plaintiff by the defendants. The defendants malafide intention of causing confusion and deception in the minds of general public is evident from the fact that the defendants are pretending to be the Delhi Public School Society

which is the plaintiff and their basic intention further is to hit the business of the plaintiff hard, cut into their clients, to deceive the general public at large and to ride on the coat tails of the plaintiff's reputation and goodwill that the plaintiff has built up through extreme hard work and dedication for a consideration period of time.

20. The adoption by the defendants of the plaintiff's mark is a clever exercise of deceit and amounts to copying of the plaintiff's mark 'DPS' and words 'Delhi Public School'. It further amounts and undeniably leads to the defendant's passing off their inferior and substandard service as compared to the superior and unparalleled quality of the education being provided by the plaintiff. The intentional adoption of the name and crest of the plaintiff by the defendants cannot be termed as innocent and bonafide since the defendants are well aware of the mark "DPS" and the word "Delhi Public School" along with its crest/logo which belongs and owned by the plaintiff. It is stated that defendants in order to avoid any communication and to mislead public and authorities have always manipulated their addresses and the same can be ascertained from the record of present case itself.

21. The defendants are consciously copying the mark 'DPS', words and the crest belonging to the plaintiff with a malafide intent to ride upon their goodwill and their conduct is neither bonafide nor an innocent adoption as the defendants are well aware that the mark DPS and the words 'Delhi Public School' along with the crest belongs to, and are owned by the plaintiff. The defendants have no

justification whatsoever, for the illegal adoption and use of deceptively similar words in respect of the service and products offered by them. The aforesaid acts of the defendants would cause huge loss and damage to the plaintiffs if the said name is allowed to be used by the defendants.

22. An ad-interim injunction order was passed against the defendants on 28<sup>th</sup> August, 2008. Upon service, defendant Nos. 1 and 6 have put their appearance before Court, which was duly marked vide order dated 9<sup>th</sup> January, 2009 and 14<sup>th</sup> January, 2009 passed by this Court and defendant Nos. 2 to 5 and 7 to 18 have been set down ex-parte vide order dated 29<sup>th</sup> July, 2010.

23. Defendants despite of having knowledge are using the said name. The plaintiff filed a contempt petition No. 15259/2011 under Order 39 Rule 2A CPC along with documents. Printout from the web site of defendant no. 1 i.e. [www.dpstrust.org](http://www.dpstrust.org) is exhibited as EX. 1/ H (5 pages). The defendant Nos. 1 and 6 filed an apology. The plaintiff thereafter filed the reply of apology along with documents which shows the disobedience of the defendants. The plaintiff also filed the reply of additional affidavit filed by the defendant Nos.1 and 6 in terms of order dated 18<sup>th</sup> October, 2012 passed by this Court. The printouts filed on record along with the reply are exhibited as EX-PW-1/K (colly). The plaintiff also filed some documents on 20<sup>th</sup> February, 2013 to show the malice intention of the defendants. The documents are exhibited as EX.PW-1/L. The plaintiff also filed an affidavit along with letter no. 5521/recognition/----/2012-13 dated 21<sup>st</sup> March, 2013 along with its

annexures and envelop in compliance of order dated 10<sup>th</sup> July, 2013 passed by this Court. The letter No. 5521/recognition/----/2012-13 dated 21<sup>st</sup> March, 2013 along with its annexures and envelop are exhibited as EX.PW-1/M (colly). The Court vide order dated 13<sup>th</sup> September, 2012 held the defendant No. 1 and 6 guilty of contempt of court. The Court vide order dated 19<sup>th</sup> September, 2013 issued the Bailable Warrants against the defendant no. 6 and at present he is absconding from the court.

24. The agreement of DPS Bharatpur is marked as “Mark A” and prospectus of Mathura, Ghaziabad and Firozabad are exhibited as EX. PW-1/I. The printout taken from the website of the defendant is exhibited as EX. PW-1/J. Copy of agreement between DPS Trust and Radha Govind Public Welfare Society, Ramgarh Cantt. Jharkhand is marked as “Mark-B”.

25. All the defendants in the matter were earlier proceeded ex-parte vide order dated 29<sup>th</sup> July, 2010, however, later on defendants No. 1 to 6 came forward to contest the suit, presence on whose behalf was recorded in order dated 24<sup>th</sup> May, 2011. Various opportunities were thereafter granted to the said defendants to file the written statement. However the written statement was filed only by the end of year 2011. Since no one had been appearing on behalf of defendant Nos. 1 to 6 for a long time in the matter, all the defendants were proceeded ex-parte vide order dated 20<sup>th</sup> August, 2014. Thereafter, after recording, the evidence of the plaintiff was closed vide order dated 17<sup>th</sup> October, 2014.

## **INFRINGEMENT**

26. At this juncture, it is imperative to discuss Section 29 of the Trade Marks Act, 1999 (hereinafter referred to as "the Act") that envisages the law relating to infringement of a registered trademark and Section 28 of the Act that provides for exclusive rights granted by virtue of registration. The said provisions read as under:-

### **“29. Infringement of Registered Trademark**

- (1) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.
- (2) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of-
  - (a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or
  - (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or
  - (c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.

- (3) In any case falling under clause (c) of sub-section (2), the court shall presume that it is likely to cause confusion on the part of the public.
- (4) A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which-
  - (a) is identical with or similar to the registered trade mark; and
  - (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and
  - (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.
- (5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.
- (6) For the purposes of this section, a person uses a registered mark, if, in particular, he-
  - (a) affixes it to goods or the packaging thereof;
  - (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;
  - (c) imports or exports goods under the mark; or

- (d) uses the registered trademark on business papers or in advertising.
- (7) A registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.
- (8) A registered trade mark is infringed by any advertising of that trade mark if such advertising-
  - (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or
  - (b) is detrimental to its distinctive character; or
  - (c) is against the reputation of the trade mark.
- (9) Where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.”

“28. Rights conferred by registration –

- (1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark in the manner provided by this Act.

- (2) The exclusive right to the use of a trade mark given under sub-section (1) shall be subject to any conditions and limitations to which the registration is subject.
- (3) Where two or more persons are registered proprietors of trade marks, which are identical with or nearly resemble each other, the exclusive right to the use of any of those trade marks shall not (except so far as their respective rights are subject to any conditions or limitations entered on the register) be deemed to have been acquired by any one of those person as against any other of those persons merely by registration of the trade marks but each of those persons has otherwise the same rights as against other persons (not being registered users using by way of permitted use) as he would have if he were the sole registered proprietor.”

27. By reading of these provisions, it is apparent that a registered trademark is infringed by a person who not being a registered proprietor, uses in the course of trade a mark which is identical or deceptively similar in relation to the goods or services which are identical or similar to that in respect of which the trademark is registered without the permission of the trademark owner.

28. Section 29(2) of the Act is a new provision introduced in the Act whereby the scope of infringement enlarged than under the earlier enactment. The words used in Section 29(2)(b) are “similarity” of trademarks as opposed to use of the word “deceptively similarity” used in Section 29(1). The threshold for considering similarity of trademarks under this section is therefore apparently different from the consideration related to “deceptive

similarity” of trade mark.

In order to come under this provision, it is sufficient that the similarity of the marks is such as is likely to cause confusion or deception or to cause any association with the registered trademark.

29. In order to understand what is a mark, one has to read the definition of the "mark" and the "trademark" under Sections 2(1)(m) and 2(zb) of the Act together. In Section 2(1)(m), the meaning of the "mark" includes the name and word and/or any combination thereof. Similarly, as per Section 2(zb), "trademark" means, if the same is used in relation to goods or services for the purposes of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark. In the present matter, this Court is also dealing with the case of infringement of trademark. The plaintiffs are admittedly the registered proprietors of the trademark.

30. In order to establish infringement, the main ingredients of Section 29 of the Act are that the plaintiff's mark must be registered under the Act; the defendant's mark is identical with or deceptively similar to the registered trademark; and the defendant's use of the mark is in the course of trade in respect of the goods covered by the registered trademark. The rival marks are to be compared as a whole. Where two rival marks are identical, it is not necessary for the plaintiff to prove further that the use of defendant's trademark is likely to deceive and cause confusion as the registration shows the

title of the registered proprietor and the things speak for themselves. In an infringement action, once a mark is used as indicating commercial origin by the defendant, no amount of added matter intended to show the true origin of the goods can effect the question. If Court finds that the defendant's mark is closely, visually and phonetically similar, even then no further proof is necessary.

31. In the case of **Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories** AIR1965 SC 980 – at 989-990 page wherein it was held that:

*“The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the exclusive right to the use of the trade mark in relation to those goods.”*

*“if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the make would be immaterial.”*

### **Similarity in Trade Name/Corporate Name**

32. The Division Bench of this Court in the case of **Montari Overseas Ltd. vs. Montari Industries Ltd.**, reported in 1996 PTC (16) 142, in relevant paras observed as under:-

“(9) We have considered the submission of learned counsel but we have not been persuaded to accept the same. Section 20 of the Companies Act, 1956 provides that no company will be registered by a name which is similar or identical or too nearly resembles the name by which a company in existence has been previously registered. In case where a company has been

incorporated with a name which is identical or too nearly resembles the name of a company which has been previously incorporated, Section 22 makes a provision for getting the names of the former altered. No doubt, Section 22 makes provision for rectification of the name of a company which has been registered with undesirable name but that does not mean that the common law remedy available to and aggrieved party stands superseded. The plaintiff will have two independent rights of action against the defendant who may be using the corporate name of a previously incorporated company, one under Section 22 of the Companies Act and the other for injunction restraining the defendant from using the corporate name of the plaintiff or from using a name bearing close resemblance which may cause or which is likely to cause confusion in the minds of the customers or general public in view of the similarity of names. Both the remedies, one under Section 22 and the other under the common law operate in different fields. Under section 22 of the companies Act, the Central Government has no jurisdiction to grant any injunction against the use of an undesirable name by a company whereas in a suit for permanent injunction the court can pass an order injuncting the defendant from using the name which is being passed off by the defendant as that of the plaintiff. In *M/s. K.G. Khosla Compressors Ltd. vs. Khosla Extraktions Ltd. and others*, AIR 1986 Delhi 184(2), the plaintiff filed a suit against the defendant for permanent injunction restraining the latter from using, trading or carrying on business under the name and style of Khosla Extraktions Ltd. on the ground that the plaintiff was incorporated as K.G. Khosla Compressors Ltd. prior to the incorporation of the defendant and it cannot be allowed to imitate or copy the trade name of the appellant. Along with the suit, the plaintiff had filed an application under Order 39, Rules 1 and 2 for temporary injunction restraining the defendant from using trading and carrying on business and from entering capital market and making public issue under the name M/s. Khosla Extraktion Ltd. In

that application, the defendant had taken the same plea which has been taken in the present case about the competence of the court to grant relief in view of Sections 20 and 22 of the Companies Act, 1956. The learned single Judge after review of the case law held that the Court would, have jurisdiction to grant injunction and Sections 20 and 22 of the Companies Act, 1956 in no way limit the jurisdiction of the Civil Court. In this regard the Court observed as follows:-

“But, then in the present suit the plaintiff has also based its cause of action on passing off of the name of defendant No. 1 as that of the plaintiff. I would rather say that jurisdiction of the Central Government under Ss. 20 and 22 of the Act and the jurisdiction of the Civil Court operate in two different fields. Further the Central Govt. has to act within the guidelines laid down under S. 20 of the Act, while there are no such limitations on the exercise of jurisdiction by the Civil Court.”

33. For the aforesaid reasons and well settled law, no doubt the plaintiff has made out a strong case for infringement of trademark.

#### **PASSING OFF**

34. The test of confusion and deception in order to prove the case of passing off has been very well discussed in the case of ***Laxmikant V. Patel vs. Chetanbhat Shah and Another***, reported in (2002) 3 SCC 65, wherein the Supreme Court while considering a plea of passing off and grant of ad interim injunction held in no uncertain terms that a person may sell his goods or deliver his services under a trading name or style which, with the passage of time, may acquire a reputation or goodwill and may become a property to be protected by the Courts. It was held that a

competitor initiating sale of goods or services in the same name or by imitating that name causes injury to the business of one who has the property in that name. It was held that honesty and fair play are and ought to be the basic policy in the world of business and when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else, it results in confusion and has the propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.

35. It was held in ***Laxmikant V. Patel*** (supra) that the principles which apply to trademark are applicable to trade name also. Para 10 of the aforesaid judgment reads as under:-

“The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that his goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.”

In this case, the Supreme Court further observed that:

“Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently.”

36. The fundamental difference that passing off is an action which essentially protects goodwill and not the unregistered trademark has been explained in the case of ***Star Industrial Co. Ltd. v. Yap Kwee Kor*** [1976] Fleet Street Patent Law Reports 256 decided by Privy Council comprising Lord Diplock in his speech wherein it has been observed that passing off is an action which is to preserve the goodwill of a person and not aimed at to protect an unregistered trademark. In the words of Lord Diplock, it has been observed as under:-

*“Whatever doubts there may have previously been as to the legal nature of the rights which were entitled to protection by an action for “passing off” in courts of law or equity, these were laid to rest more than 60 years ago by the speech of Lord Parker of the Waddington in A.G. Spalding & Bros. v. A.W. Gamage Ltd. (1915) 32 R.P.C. 273 (“the Gamage Case”) with which the other members of the House of Lords agreed. A passing off action is a remedy for the invasion of a right of property not in the mark, name or get up improperly used, but in the business or goodwill likely to be injured by the misrepresentation made by passing-off one person’s goods as the goods of another. Goodwill, as the subject of proprietary rights, is incapable of subsisting by itself. It has no independent existence apart from the business to which it is attached. It is local in character and divisible; if the business is carried on in several countries a separate goodwill attaches to it in each. So when the business is carried abandoned in one country in which it is acquired a goodwill the goodwill in that country perishes with it although the business may continue to be carried on in other countries. Once the Hong Kong Company had abandoned that part of its former business that consisted in manufacturing toothbrushes for export to and sale in Singapore it ceased to have any proprietary rights in Singapore which was entitled to*

*protection in any action for passing-off brought in the courts of that country.”*

37. In ***B.K. Engineering Company Vs. Ubhi Enterprises***, AIR 1985 DEL 210, this Court held, while deciding the question of passing-off between plaintiffs Trade Mark B.K. against Defendants Trade Mark B.K.81 for similar products namely cycle bells. Competition must remain free. This is the life blood of free enterprise system yet, it is essential that trading must not only be honest but must not even unintentionally be unfair. Therefore, the court has gone to the extent that even an unintentional act of trespassing on somebody's Intellectual Property asset cannot allow.

The Court further held in ***B.K. Engineering's*** case (supra) that the test of misappropriation of Intellectual Property/goodwill/reputation is the impression likely to be produced on the casual and unwary customer. In the same judgment in para 16, the Court held that the central question in each case is whether the name or description given by the defendant to his goods is such so as to create a likelihood that a substantial section of the purchasing public will be misled into believing that his goods are the goods of the plaintiff's.

The Court further held that it must be remembered that we are concerned with the case where both firms are engaged in a common field of activity. The question arises whether the defendants are misleading the public into buying their goods in the belief that they emanated from the plaintiffs. The Court further said

that most defendants in these cases start their business fully aware of the fame of the plaintiffs name and mark. They want to cash in on the popularity of the plaintiffs product. Whether the goods are inferior or superior, every infringement is, in the way tribute to the excellence of the plaintiffs wares. It is a measure of the popularity of plaintiff's goods. The Court, also emphasized in para 54 that the fundamental question is whether there is a likelihood of deception of the public by the use of a particular name. If there is likelihood, the complainant can bring an action against the deceiver, the maker of the representation.

38. In view of the aforesaid reasons, it is evident that the plaintiffs have established a classic case of passing off thereby entitling them for permanent injunction.

39. The suit of the plaintiff is accordingly decreed in terms of Para (a) and (b) of the prayer clause of the plaint.

40. As far as the relief of damages is concerned, this Court has previously granted both exemplary and punitive damages against the defendants in matters of similar nature in various industries ranging from software to automotives, chocolates to pharmaceuticals, stationary to luxury brands, etc. Some of the decisions are as under:

- (i) In ***Time Incorporated Vs. Lokesh Srivastava & Anr., 2005 (30) PTC 3 (Del.)*** while awarding punitive damages of Rs. 5 lakhs in addition to compensatory damages also of Rs. 5 lakhs, Justice R.C. Chopra observed that *"time has come when the Courts dealing in actions for infringement of trademarks, copyrights, patents etc., should not only grant compensatory damages but also award punitive*

*damages with a view to discourage and dishearten law breakers who indulge in violation with impunity out of lust for money, so that they realise that in case they are caught, they would be liable not only to reimburse the aggrieved party but would be liable to pay punitive damages also, which may spell financial disaster for them.”*

- (ii) In ***Microsoft Corporation Vs. Rajendra Pawar & Anr., 2008 (36) PTC 697 (Del.)*** decided on 27th July, 2007, this Court held that *“Perhaps it has now become a trend of sorts, especially in matters pertaining to passing off, for the defending party to evade court proceedings in a systematic attempt to jettison the relief sought by the plaintiff. Such flagrancy of the Defendant’s conduct is strictly deprecatory, and those who recklessly indulge in such shenanigans must do so at their peril, for it is now an inherited wisdom that evasion of court proceedings does not de facto tantamount to escape from liability. Judicial process has its own way of bringing to tasks such erring parties whilst at the same time ensuring that the aggrieved party who has knocked the doors of the court in anticipation of justice is afforded with adequate relief, both in law and in equity. It is here that the concept of awarding punitive damages comes into perspective.”*

41. In a similar case filed by the plaintiff against D.P.S Trust earlier before this Court in CS (OS) 1519/2008, titled as ***Delhi Public School Vs. D.P.S. Trust***, this Court vide Judgment dated 14<sup>th</sup> December, 2012 while protecting the trademark of the plaintiff, also passed a decree for recovery of Rs.10 lac as punitive damages in favour of the plaintiff and against the defendant. The relevant portion of the same is reproduced as under:

“The defendant is running a school using the highly reputed brand name of ‘Delhi Public School’. As noted earlier, use of the name ‘Delhi Public School’, the word mark ‘DPS’ and the logo of the plaintiff is dishonest, actuated with greed to encash upon the brand equity which these names enjoy amongst the parents in this country. Delhi Public Schools being high coveted schools, the parents would leave no stone unturned to admit their wards in these school. On account of dishonest use of the trademark and logo of the plaintiff by the defendant, some innocent and gullible parents may admit their wards in the schools being run by the defendants and pay high fees and other charges which they would not pay for admission in an obscure school, under a mistaken belief that their child is studying in one of the schools being run by the plaintiff. It is, therefore, necessary to award adequate punitive damages to the plaintiff so that such dishonest tendencies may be curbed and innocent parents are not trapped into admitting their wards in schools such as the school being run by the defendant. I, therefore, pass a decree for recovery of Rs.10 lac as punitive damages in favour of the plaintiff and against the defendant.”

42. In view of the above as well as facts of the present case, this Court is of the opinion that in present case Rs.5 lac as punitive damages be granted in favour of the plaintiff and against the defendants. Plaintiff is also entitled for costs.

43. Decreed accordingly.

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44. Since the suit has been decreed, the I.A is disposed of with a liberty to the plaintiff to take appropriate action under Order 21 Rule 32 CPC in case of violation.

**(MANMOHAN SINGH)  
JUDGE**

**OCTOBER 29, 2014**