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

Date of decision: 28th August, 2018

+ **CS (COMM) 356/2018**

ASHIANA HOUSING LTD Plaintiff

Through Mr. Tanmay Mehta with Mr. Asit
Tewari, Advcoates

versus

SKG GROUP & ORS Defendants

Through Mr. Gaurav Miglani, Mr. M K
Miglani, Advocates.
(Mob. 9899310299)

**CORAM:
JUSTICE PRATHIBA M. SINGH**

Prathiba M. Singh, J. (Oral)

1. The dispute in the present case, relates to the trade mark “*ASHIANA*”.
2. The claim of the Plaintiff is that it adopted the mark ‘*ASHIANA*’ in 1986 in respect of housing and real estate services. Various companies were incorporated by the Plaintiff with the mark ‘*ASHIANA*’, such as ASHIANA Housing Ltd., ASHIANA Homes Pvt. Ltd. The Plaintiff, also started various projects with the ‘*ASHIANA*’ name including, Ashiana Tree House Residences, Ashiana Aangan, Ashiana Gardens, Ashiana Town, Ashiana Green Hills, Ashiana Bageecha, Ashiana’s Gulmohar Park, Ashiana Navrang, Ashiana’s Gulmohar Gardens, Ashiana’s Rangoli Gardens, Ashiana’s Vrinda Gardens, Ashiana Anantara, Ashiana Amarbagh, Ashiana Dwarka, etc., The Plaintiff also claims enormous goodwill in the market.

3. The suit was filed against the Defendants SKG Group, which registered the Defendant No.2 company - ASHIANA Realtech Pvt. Ltd. According to the Plaintiff, the Defendants also registered the domain name/website www.thecubixashiana.com. The Defendants were planning to launch a residential project in Dharuhera, Haryana by the name of ASHIANA Cubix Homes. The Plaintiff's grievance was in the use of the mark *ASHIANA* as part of the corporate name of the Defendant no.2 as also the undue prominence given to the said name in hoardings, billboards etc., One such banner of the defendant's project is depicted below:



In this background, the present suit came to be filed by the Plaintiff seeking permanent injunction against the use of the word “*ASHIANA*” as part of the trademark, trade name, project name and domain name, as also for damages.

4. The Defendant Nos.1 & 2 filed their written statement and claimed that the word ‘*ASHIANA*’ is commonly used by several persons in respect of

housing and real estate. It was also submitted that the project ASHIANA Cubix Homes was started more than 8 years ago i.e. around 2007 and the company name of the Defendant No.2 was also registered on 7th March, 2007. It was further claimed that the word 'ASHIANA' is descriptive of the services and that this Court had no jurisdiction.

5. Initially, on 1st December, 2014, an *ex-parte* ad interim injunction was granted in favour of the Plaintiff in the following terms :

“To protect the interest of the plaintiff and considering the reply dated 08.12.2012 to M/s Ashiana Housing Ltd. by the defendant where it was specifically mentioned that they had never used the word “Ashiana” for any of its projects and out of goodwill gestures and good business ethics did not intend to do so in future also in relation to its residential or commercial projects, in the meanwhile, the defendants No.1 & 2, their directors, partners, associates, agents, licensees and all the persons acting for and on behalf are restrained from providing services relating to real estate development, construction, consultancy, etc, under the trademark “Ashiana” or any other trademark identical with and/ or deceptively similar to the registered trademark “Ashiana” of the plaintiff whereby infringing its registered trademark “Ashiana” till the next date of hearing.”

6. On 30th April, 2015, this Court recorded as under:

“Learned counsel appearing for the defendant nos.1 and 2 states that after the injunction order dated 01.12.2014 defendant nos.1 and 2 are not using the mark “Ashiana” and as such there is no infringement of the trade name of the plaintiff. Learned counsel for the plaintiff submits that if an undertaking to the said effect is taken by the defendants, the matter may be settled.”

7. Thereafter, on 17th September, 2015, it was again directed as under:

“1. On 30.4.2015, counsel for the defendants No.1 & 2 had stated that after passing of the injunction order dated 1.12.2014, her clients have stopped using the mark, “Ashiana” and there is no infringement of the trademark of the plaintiff. Counsel for the plaintiff had stated that if the defendants No.1 & 2 are willing to give an undertaking to the said effect, the matter could be settled. In view of the statement recorded above, the authorised representatives of the plaintiff and the defendants were directed to appear in person.

2. Mr. Vipin Kumar Marya, authorised representative of the plaintiff is present. However, none is present on behalf of the defendants No.1 & 2.

3. Counsel for the defendants No.1 & 2 states that Mr. Mohit Garg, Director of the defendants No.1 & 2 is confined to bed with fever.

4. Counsel for the plaintiff states that the statement made on behalf of the defendants No.1 & 2 on the last date of hearing to the effect that they have stopped using the plaintiff’s trademark, is incorrect. He hands over a screenshot of the defendants No.1 & 2’s website of yesterday that reveals that the work, “Ashiana” is being used as a corporate name.

5. As the arguing counsel for the defendants No.1 & 2 is absent, nor is the authorised representative of the defendants No. 1 & 2 present, list on 8.10.2015.

6. It is made clear that if the authorised representative of the defendants No.1 & 2 is not present on the next date of hearing, then the court would be inclined to pass adverse orders against them. The authorised representative of the plaintiff shall also remain present on the next date of hearing.

Interim orders to continue.”

8. On 8th October, 2015, the promoter of the Defendant No.2 appeared in

Court and undertook that he may be granted 2 weeks' time to apply to the Registrar of Companies for seeking change of name without prejudice to the application under Order XXXIX Rule 4 CPC. The matter was thereafter adjourned from time to time. A review application was filed by the Defendants for seeking review of the order date 8th October, 2015.

9. On 18th August, 2017, the review application was disposed of permitting the Defendants to pursue the application under Order XXXIX Rule 4 CPC.

10. On 24th August, 2018, when this matter was listed for arguments, since none of the facts were disputed in the matter, and the only question urged by the learned counsel for the Plaintiff was in respect of permanent injunction, the counsels were directed to address submissions. Mr. Tanmaya Mehta, Advocate appears for the Defendants and is duly instructed by an officer, who is present on behalf of the Defendants. The Plaintiff does not press for damages/rendition of accounts. The only issue is of ownership of the Plaintiff and injunction against use of ASHIANA as part of the corporate name. The defendants also concede that they are not using the word ASHIANA as a mark and do not intend to use the same even in future, as is clear from the various orders already passed. The only submission is that the corporate name ought not to be enjoined. This is a legal issue for which no oral evidence is required to be adduced.

11. The Plaintiff claims to be the owner of the trademark "*ASHIANA*" in several classes namely 16, 19, 35, 36, 37, 41, 42, 43, as stated in paragraph-9 of the plaint. The legal consequence of the same is that all the statutory rights as per Section 29 flow to the Plaintiff. A reading of Section 29(5) makes it abundantly clear that use of a trade mark in respect of a trading

style or corporate name, constitutes infringement. The said provision reads as under:

“Section 29. Infringement of Registered trade marks:-

(1).....(4).....

(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 in 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”*

12. Since the Plaintiff is the registered proprietor of the mark *ASHIANA*, which is not disputed by the Defendants, the use of the said word as part of the corporate name is impermissible. The Defendants merely allege that there are several third parties who are using the word *ASHIANA* as part of the corporate name. Third-party use is not a defence in an infringement action, as is settled in several judgements of this court including *Essel Packaging Ltd. v. Sridhar Narra & Anr. 2002 (25) PTC 233 (Del)*, *Info Edge (India) Pvt Ltd & Anr. v. Shailesh Gupta & Anr 2002 (24) PTC 355 (Del)*, as also the Division Bench judgment in *Pankaj Goel v. Dabur India Ltd. 2008 (38) PTC 49 (Del)*. It is however clear that the Defendants have an approved project with the present corporate name, the functioning of which could be jeopardised if the corporate name is fully enjoined.

13. In this factual background and in view of the settled legal position, the following directions are passed:

- The Defendant is permitted to use the trade/corporate name ‘Ashiana Real Tech Pvt Ltd’ only in respect of the project which is known as Cubix Homes at Dharuhera, Gurgaon. Under the

impugned trade name, Ashiana Real Tech Pvt Ltd, no other project would be started by the defendant. The impugned Company name Ashiana Real Tech Pvt Ltd., shall be continued to be used for a period of three years till the project is completed. The sales of the flats or spaces can be made, under the impugned company name, for a period of three years. If the entire project is not completed and if any outstanding sales remain after three years, the Defendants are permitted to seek permission of this Court for extension of time.

- Insofar as the banners, hoardings, advertisements, etc in respect of Cubix Homes is concerned, the word *CUBIX HOMES* shall be given prominence and the Ashiana Real Tech Pvt Ltd will be used as a corporate name and the size of the font would not be higher than 1/4th of the font of *CUBIX HOMES*. Undue prominence would not be given to the impugned corporate name.
- The statutory compliances with respect of the *CUBIX HOMES* project can be made with the name of Ashiana Real Pvt Ltd.

14. The suit is decreed in terms of paragraph- 28(i) and (ii) of the plaint, except to the extent that in respect of Cubix Homes, the trade name Ashiana Real Tech Pvt Ltd would be permitted to be used for a period of three years. Insofar as domain name thecubixashiana.com is concerned, the Defendants submitted that they have already changed the same. The injunction in terms of paragraph 28 (iii) and (iv), of the plaint, is accordingly passed. Paragraph 28(v) of the plaint is infructuous. Insofar as paragraph 28(vi) is concerned, damages are not pressed.

15. The above order has been passed with the consent of parties.

16. The suit is decreed in the above terms. Decree sheet be drawn accordingly.

**PRATHIBA M. SINGH
JUDGE**

AUGUST 28, 2018

Pallavi

