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

Date of Decision: 27th September, 2022

+ **CS (COMM) 316/2021 & I.A. 8000/2021**

TATA SONS PRIVATE LIMITED Plaintiff

Through: Mr. Pravin Anand, Mr. Achuthan
Sreekumar and Mr. Rohil Bansal,
Advvs. (M:9999756265, 9079965359)

versus

HAKUNAMATATA TATA FOUNDERS & ORS. Defendants

Through: None.

CORAM:

JUSTICE PRATHIBA M. SINGH

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present suit has been filed by the Plaintiff - Tata Sons Private Limited seeking permanent injunction restraining infringement of registered trademarks, passing off, dilution and tarnishment of trademarks and copyrights, damages, rendition of accounts, delivery up, transfer of domain name, and other reliefs. The dispute in the present suit relates to the well-known mark 'TATA'.
3. The Plaintiff is the owner and registered proprietor of the mark 'TATA', along with several permutations and combinations thereof, both in India and several jurisdictions across the world. Established in the year 1917, the Plaintiff Company is the promoter and principal investment holding company of the 'TATA' Group of Companies, which is one of India's oldest, largest and most trusted business conglomerates. As per the Plaintiff, the other companies which constitute the 'TATA' Group of

Companies are permitted to use the mark 'TATA' in one form or the other by virtue of Trademark License Agreements and Brand Equity & Business Promotion Agreements. Thus, the use of the mark 'TATA' by the subsidiaries and group companies of the Plaintiff Company enures to the Plaintiff which is the registered proprietor of the said mark.

4. The Plaintiff submits that the mark/name 'TATA' is derived from the surname of the Plaintiff's founder Shri Jamsetji Nusserwanji Tata, which is a rare patronymic name possessing the distinctiveness of an invented word. The use of the mark 'TATA' by the predecessors-in-business of the Plaintiff Company dates back to the year 1868. So also, the Plaintiff Company and its group companies and subsidiaries have continuously and uninterruptedly used the mark 'TATA' since its inception in the year 1917. The Plaintiff, along with its subsidiaries and group companies is stated to have laid the foundation in the industrial core sector, pioneering textiles, iron and steel, power, chemicals, hotels and automobile industries in India. Over the years, the 'TATA' Group of Companies has further ventured into computers and software, electronics, beverages, telecommunications, financial services, mutual funds, insurance, broadcasting, aerospace and defence, retail, etc. In addition, numerous overseas companies, philanthropic bodies and autonomous public institutions are promoted by the House of 'TATA'. The Plaintiff also claims to be India's largest private sector employer, comprising of over 100 major operating companies.

5. Owing to the continuous and extensive use by the 'TATA' Group of Companies over a long period of time spanning wide geographical area, the mark 'TATA' has garnered unparalleled reputation and popularity. The goodwill in the mark 'TATA' is sufficiently corroborated by the collective

revenue of the 'TATA' Group of Companies for the year 2019-20, which is stated to be around 750,000 crores or approximately USD 106 billion. The 'TATA' Group of Companies consists of 29 publicly listed 'TATA' companies with a combined market capitalization of about Rs.930,000 crores (i.e., approximately USD 123 billion) as on 31st March, 2020.

6. Insofar as business activities relating to financial services are concerned, the Plaintiff through its subsidiaries has an irrefutable presence and reputation in the said sector. Some of the Plaintiff's subsidiaries engaged in providing financial services are enumerated below:

- i. *Tata Motors Finance Limited, Tata Motors Finance Solutions Limited and TMF Holdings Limited;*
- ii. *Tat Capital Financial Services Limited, Tata Capital Ltd. and Tata Cleantech Capital Limited;*
- iii. *Tata Investment Corporation Limited;*
- iv. *Tata Industries Limited;*
- v. *Ewart Investments Limited;*
- vi. *Panatone Finvest Limited;*
- vii. *Af-taab Investment Company Limited*
- viii. *Rujuvalika Investments Limited;*
- ix *Simto Investment Company Limited;*

7. The Plaintiff has also placed on record documents to show the active involvement of the Plaintiff and its subsidiaries and group companies in the business of financial services including crypto currency, block chain technology and other related activities.

8. As stated in the Plaint, the mark/name 'TATA' has been respected in India for over 150 years for its adherence to strong values and business

ethics. The mark 'TATA', along with other formative marks, has acquired the status of a well-known mark. In support of these averments, the Plaintiff has placed on record several documents to show that the mark 'TATA' has been acknowledged as well-known by the Courts, as well as, the Trademark Registry.

9. On the other hand, the Defendant No.1 – M/s. HakunaMatata \$TATA Founders is an entity allegedly based out of Vista Centre, Salisbury Road, Hounslow TW4 6JQ, London, United Kingdom. The grievance of the Plaintiff is that the Defendant No.1 entity and the persons operating the said entity own and operate the two domain names, being 'www.hakunamatata.finance' and 'www.tatabonus.com' (*hereinafter, "impugned websites"*), which are the subject matter of the present proceedings. It is the case of the Plaintiff that the Defendant No.1 was dealing in a cryptocurrency called 'TATA Coin' / '\$TATA' through both of the impugned websites. Defendant No.2 – Automattic Inc. and Defendant No.3 – Godaddy.com, LLC are Domain Name Registrars in respect of 'www.hakunamatata.finance' and 'www.tatabonus.com' respectively. Defendant No.4 – Hostinger International Limited is the hosting service provider for 'www.tatabonus.com' and Defendant No.5 – Binance Holdings Limited operates a blockchain network which allows for the creation of cryptographic, smart-contract based applications such as the impugned 'TATA Coin' / '\$TATA', which is admittedly a Binance Smart Chain cryptoasset.

10. According to the Plaintiff, the impugned websites were accessible in India, and in fact, were accessed on a daily basis. In order to curb the Defendant No.1's online trading in cryptocurrency business/services that

were of an infringing nature, the Plaintiff filed the present suit.

11. The application seeking interim injunction was taken up for hearing on 9th July, 2021. Thereafter, vide order dated 26th October, 2021, the application seeking interim injunction was dismissed by the Id. Predecessor Bench on the ground that this Court does not have the territorial jurisdiction to grant an interim relief against the Defendants who are located outside India with, admittedly, no physical presence in India. The operative portion of the said order dated 26th October, 2021 reads as under:

“....30. The operation of the Trademarks Act and the CPC statutorily extend only to the boundaries of India. In the case of internet infringements, no doubt, the decision of the Court may, at times, operate against entities located outside India. That, too, however, would be subject to existence of the necessary connection between the activity of the foreign-seated defendants and India. More specifically, intent, of the defendants, to target India, must be established.

31. The submissions of Mr. Pravin Anand do not, in my considered view, make out the existence of the requisite "connection" between the defendants' activities and India.

Conclusion

32. As a result, I am of the opinion that this Court cannot issue directions, as sought, to the defendants as they are outside the territorial reach of this Court.

33. As this is a prima facie view, **let the plaint be registered as a suit and summons to be issued thereon, returnable before the Joint Registrar on 21st December, 2021. Pleadings be completed before the Joint Registrar, and admission and denial of documents carried out, in accordance with the provisions of the CPC read with the Delhi High Court (Original Side) Rules, 2018 and the Commercial Courts Act, 2015.**

34. The prayer for interim relief is declined. IA

8000/2021 is dismissed.”

12. Summons were also directed to be issued to the Defendants, vide order dated 26th October, 2021. The matter was listed before the Id. Joint Registrar on 4th May, 2022, on which date, it was recorded that the previous summons sent to Defendant No.1 as well as Defendant No.4 had been received unserved. No report was received qua Defendant Nos.2 and 5. In view of the same, fresh summons were issued to Defendant Nos.1, 2 and 5.

13. Vide order dated 2nd August, 2022 passed by the Id. Joint Registrar, it was recorded that the Defendant No.3 had been deleted from the array of parties. Affidavit of service was also filed on behalf of the Plaintiff, as per which, the Defendant No.2 had been duly served, and summons could not be served to Defendant Nos.4 and 5. As regards the contesting Defendant No.1, the following was recorded:

“Counsel for plaintiff has submitted that defendant no. 1 is the main defendant while rest of the defendants are merely Performa defendants. It is further submitted that the use of infringing trademark has since been discontinued and the websites of-defendant no 1 is not in use and therefore, the email ID has become redundant and seeks short adjournment.”

14. In the meanwhile, the order dated 26th October, 2021 passed by the Id. Single Judge was challenged before the Id. Division Bench of this Court in **FAO (OS) (COMM) 62/2022** titled **Tata Sons Pvt. v. Hakunamatata Tata Founders & Ors.** Vide judgment dated 19th September, 2022, the Id. Division has considered the matter and given the following findings:

*“5....In short, there are extensive pleadings in the plaint highlighting the reputation, goodwill and recognition of the appellants’ trademarks in India. **Even otherwise, we do not have any reason to doubt the pre-eminence of***

the trademarks of the appellant in India.

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15. However, “targeting”, as expounded by Banyan Tree Holding (P) Limited (Supra), would include ability of the customers to undertake a commercial transaction on a website within a particular geography. Banyan Tree (Supra) approved of even bonafide trap sales within a particular geography to attract territorial jurisdiction of Courts. In Burger King Corporation (Supra), it was held that even promotion activities undertaken on a website would be enough to attract territorial jurisdiction of Courts where website can be accessed. In Millennium & Copthorne International Limited (Supra), it has been held that the place where injury or deception is caused would have jurisdiction.

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17. We are in complete agreement with the above view of the English Court. Even if a website is not directed at customers in a particular country, the fact that they are not restricted by the website to have access to it, is enough to characterise it as targeting. Targeting need not be a very aggressive act of marketing aiming at a particular set of customers. **Mere looming presence of a website in a geography and ability of the customers therein to access the website is sufficient, in a given case.** It may not be forgotten that in the matters of infringement of trademark, it is the possibility of confusion and deception in the mind of public due to infringing trademark that is good enough for the Court to grant injunction.

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22. **Interim decision is required to be made based on probable rather than a definitive view.**

23. According to us, once the learned Single Judge entertained the suit, it is indicative of his positive prima facie view on the maintainability of the suit in Delhi, on the basis of the plaint and documents filed along with it. If it was otherwise, he had the option of not entertaining the suit itself.

24. Disagreeing with the learned Single Judge on his

view on territorial jurisdiction, according to us there are sufficient indicators, as discussed above, to assume jurisdiction for the purposes of deciding the application for ad-interim injunction. We now examine-the application on the three factors, namely existence of a prima-facie case, balance of convenience and irreparable loss.

25. In India, the trademark TATA is embedded in the sub-consciousness of public. In public consciousness, the word "TATA" is only relatable to TATA group of companies. As pleaded, the appellant is the owner of the trademarks in question, and the said marks are used across the board by almost all the group companies of TATA. The pre-eminence of the business reputation of the TATA group and the popularity of the trademarks is beyond contest. There is sufficient pleading in the plaint to reach the said conclusion. Even otherwise, this Court can take judicial notice of the pre-eminence and popularity of the trademarks in question.

The appellant and its group Companies have an all-pervasive presence across various businesses, from automobiles, to telecom, to agriculture, to hospitality, to power, to defence manufacturing, to heavy industries, to retail, including online retail, to name a few. The universal popularity of the appellant's trademark is not confined to a few products or services. As stated above, in public consciousness, TATAs are believed to be ubiquitous across all businesses.

27. At this stage, we do not have any reason to doubt the appellant's right to protect its IP against a very obvious case of infringement by the respondents, intended or otherwise. As stated above, people behind the website, who are the team behind respondent No. 1, are stated to be people of Pakistani origin in the UK. Their awareness: of "TATA" brand cannot be ruled out, which makes their motive suspect. The way trademark "TATA" has been lifted and adopted as it is, without even an attempt to disguise it with a prefix or a suffix to claim distinctiveness, appears to be unscrupulous. It cannot further be ruled out that it could be an attempt by

respondent No.1 to deceive public by selling inferior and dubious products in the name of TATAs.

28. However, as far as domain name *www.hakunamatata.finance* is concerned, we prima facie find no ground to agree with the appellant that it infringes the appellant's trademark "TATA". *Hakunamatata* is a generic word and the word "TATA" is fully coalesced in the word *hakunamatata*. It does not cause any deception or confusion. There is only partial phonetic overlap with the word "TATA" in *Hakunamatata*. The appellant cannot prevent adoption by others of names that naturally have alphabets TATA embedded in them.

29. We believe the appellant has a good prima facie case to seek injunction, as far as website *www.tatabonus.com*, crypto products by the name of \$TATA, or any other product of respondent No.1 being sold on the website *www.hakunamatata.finance* under the name TATA is concerned, if not for anything else, but just to avoid any confusion likely to be caused in the mind of the public in India, who might be deceived to believe that the respondents' website in question and products sold therein are the TATA group's own website or have an association with TATA group. Not granting ad-interim injunction can cause irreparable harm, to the goodwill enjoyed by the appellant's trademark. The appellant is known for the quality of its goods and services. Any dubious and inferior products through the respondents' website, using the appellant's trademark, can seriously damage its credibility.

30. For the foregoing reasons, the present appeal is allowed in the above terms. We set aside the order dated 26.10.2021 dismissing the appellant's IA No. 8000/2021, and grant ex-parte ad-interim injunctions restraining the respondents, their partners or proprietors from manufacturing, selling, offering for sale, supplying, advertising or unauthorisedly using the appellant's well-known trademark TATA, or any other deceptively similar mark thereto as part of the name of their digital token/cryptocurrency TATA Coin/\$TATA

or as part of their corporate name/domain name and websites 'www.tatabonus.com'/social media pages amounting to infringement/passing off. Further, respondent Nos.1 and 3 are directed to immediately take down the website parked on the domain 'www.tatabonus.com' and to put the said domain on hold till the pendency of the application, with an exception, that use of domain name 'www.hakunamatata.finance' by respondent No.1 is not prohibited, at this stage. Further, respondent No.4 is directed to delist the TATA Coin/\$TATA and/or any other crypto-assets bearing the mark "TATA" or other deceptively similar mark thereto, from the networks/platforms operated by respondent No.4 including Binance Smart Chain and Binance community.

31 Pending applications being CM APPL. Nos.13107-08/2022 stand disposed of.

32. List the suit before learned Single Judge, for issuing notice on I.A No 8000/2021 to the respondents on 26th September, 2022."

15. As per the above judgment dated 19th September, 2022, the Id. Division Bench has held as under:

- The Court has no reason to doubt the pre-eminence of the Plaintiff's mark/brand 'TATA' in India;
- 'Targeting' of a website as expounded by *Banyan Tree (supra)*, would include the ability of customers to undertake a commercial transaction on a website within a particular geography;
- 'Targeting' of a website need not be a conscious act aiming at a specific set of customers. Even a looming presence of a website in a particular territory and the customers' ability to access the website is sufficient, in a given case;
- The Plaintiff's mark 'TATA' has a ubiquitous presence across

businesses;

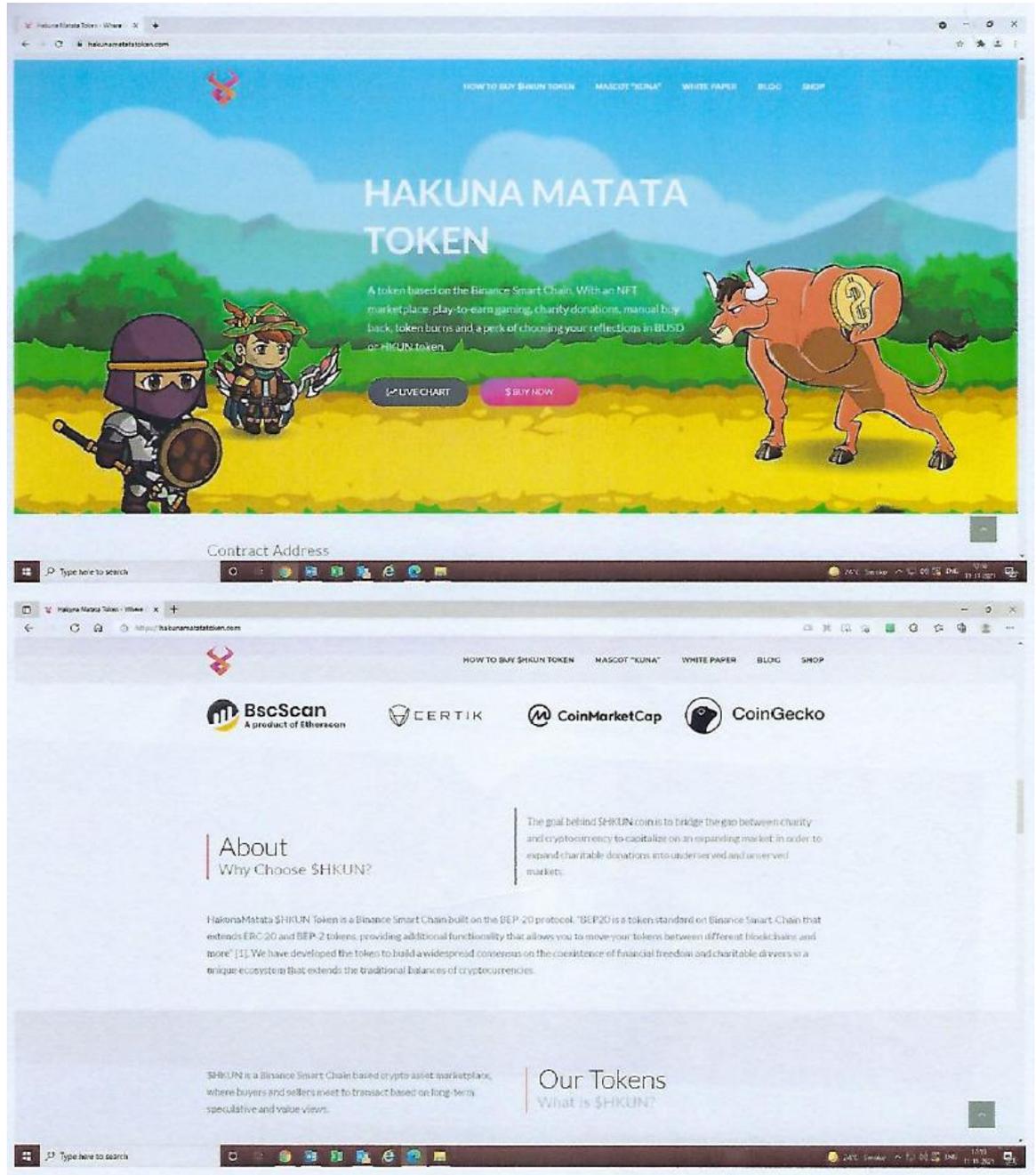
- The Defendants' awareness of the 'TATA' brand owing to their Pakistani origin, cannot be doubted.

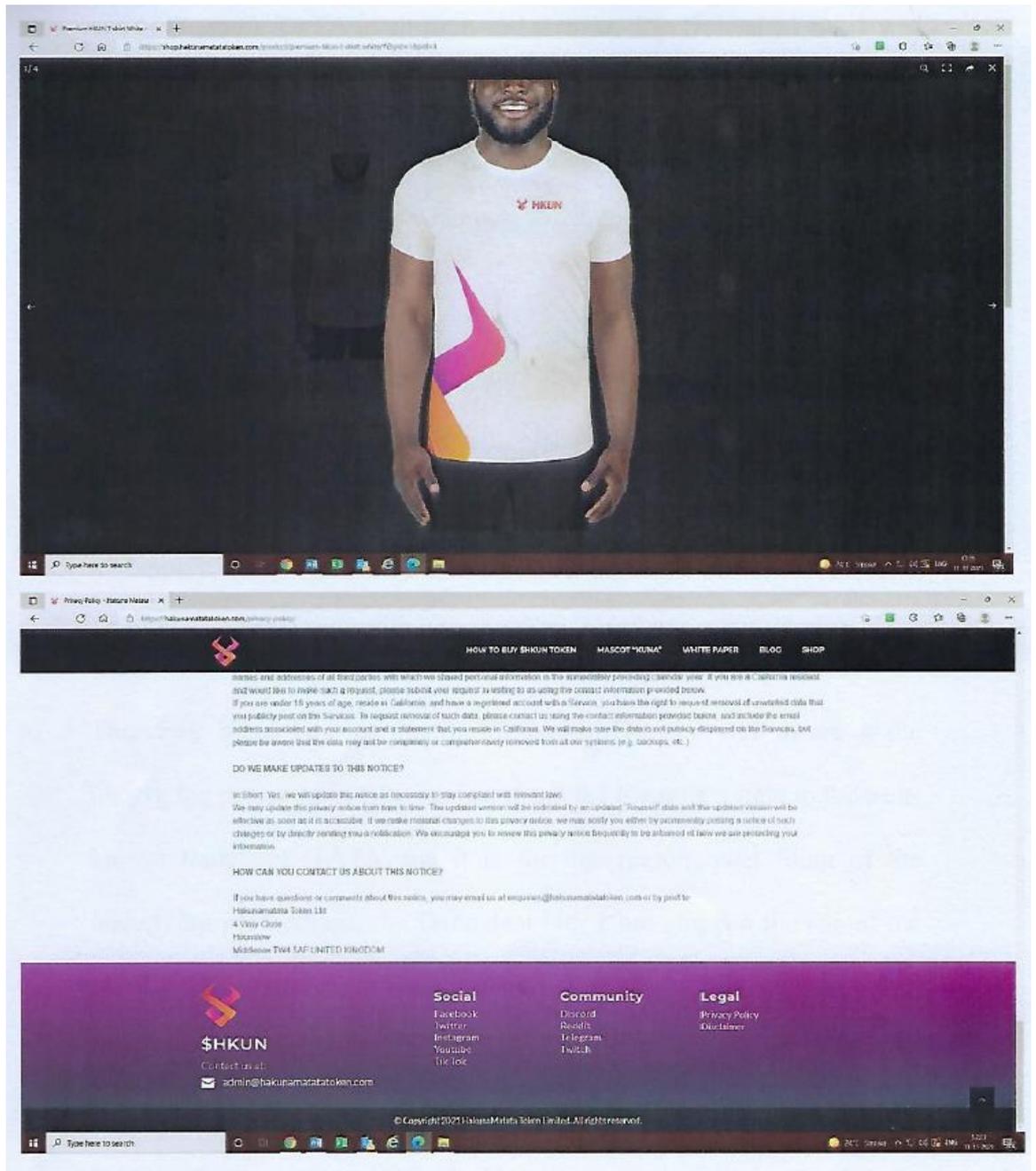
16. A perusal of the above judgment dated 19th September, 2022 shows that, insofar as the use of the domain name 'www.tatabonus.com' was concerned, the Id. Division Bench has granted an interim injunction restraining the Defendants. However, insofar as the domain name 'www.hakunamatata.finance' was concerned, the Id. Division Bench has held that the use of the said domain name would not be prohibited at that stage. The Id. Division Bench has further directed the issuance of notice in the application seeking interim injunction being *I.A.8000/2021* under Order XXXIX Rules 1 & 2 CPC.

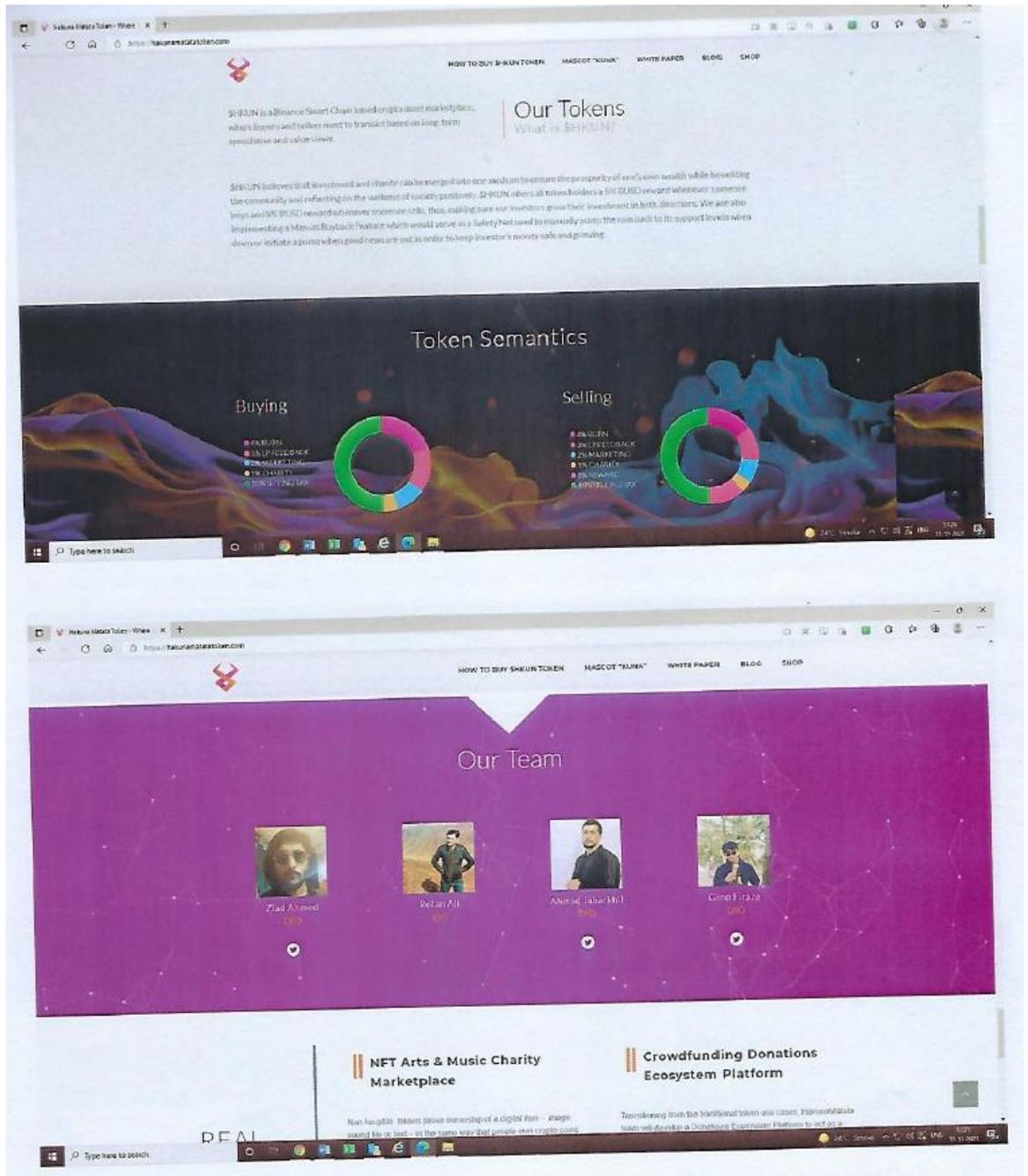
17. Today, Mr. Anand, Id. Counsel for the Plaintiff submits that, subsequent to the order dated 26th October, 2021 passed by the Id. Single Judge, which was under challenge before the Id. Division Bench, various steps were taken to serve the contesting Defendant No.1. As per the affidavit of service dated 20th July, 2022 filed by the Plaintiff, the Defendant No.1 was repeatedly served on its email addresses, as also, through Solicitors in England as the Defendant No.1 had an address based out of London, U.K.

18. Mr. Anand, further submits that, it has come to the knowledge of the Plaintiff that the Defendant No.1 has taken down the websites 'www.hakunamatata.finance' and 'www.tatabonus.com'. The Defendant No.1 has now changed its name to Hakumatata Token Ltd. and has started a new website at 'www.hakunamatatatoken.com' by removing all references to the Plaintiff's mark 'TATA' from its website. The Defendant No.1 has also changed the name of its cryptocurrency to \$HKUN Token. Screenshots

of the new websites of the Defendant No.1 have also been placed on record and the same are reproduced below:







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19. A perusal of the above screenshots shows that apart from changing the domain name and the name of the crypto currency, even the 'TATA' merchandise, which was being sold on the Defendant No.1's website, has also now been rebranded as 'HKUN'.

20. The Plaintiff is also stated to have addressed a legal notice dated 4th January, 2022 to the Defendant No.1 through its advocates based in London, wherein it was clearly stated that the Plaintiff understands that the Defendant No.1 has stopped the use of the mark 'TATA' in all form and manner. The Defendant No.1 was called upon to sign an undertaking not to use the mark 'TATA' in future. Despite having stopped all use of the mark 'TATA' and despite receipt of the said legal notice dated 4th January, 2022, the Defendant No.1 has not responded to the same.

21. Investigations were also conducted by the Plaintiff in respect of Defendant No.1. The said investigation has revealed that one Mr. Khan Jabarkhil, who is stated to be the father of the owner/founder of Defendant No.1 entity, Mr. Ahmed Jabarkhil, was met by the investigator on 28th January, 2022. Mr. Khan Jabarkhil acknowledged the receipt of the legal notice dated 4th January, 2022.

22. In this background, it is clear that the Defendants have already been served with summons in the present suit and notice in the application seeking interim injunction. As elaborated upon hereinabove, repeated service has been effected on Defendant No.1, which has led to the impugned websites being taken down and all references to the Plaintiff's mark 'TATA' being removed from all the online platforms of the Defendant No.1. The Id. Division Bench too, vide judgment dated 19th September, 2022, has recognized the rights of the Plaintiff in the mark 'TATA' and has also opined on the territorial jurisdiction of this Court to hold that this Court is of competent jurisdiction for issuing an injunction restraining the Defendants. As also, the Plaintiff's investigation has revealed an alternative address of the Defendant No.1 being 4, Vimy Close, Hounslow, Middlesex, TW4 5AF,

which also was the residential address of the Defendant No.1's father, where the documents relating to the suit have been served. In these circumstances, it appears to this Court and is also reaffirmed by the Id. Counsel for the Plaintiff that the Defendant No.1 is fully aware of the orders that have been passed by this Court and has wilfully chosen not to appear before this Court.

23. This Court has also perused the orders recording the proceedings before the Id. Joint Registrar, extracted hereinabove. The said orders show that the Defendant No.1 was repeatedly served with the summons and notices, subsequent to the order dated 26th October, 2021 passed by the Id. Single Judge dismissing the application seeking interim injunction.

24. Considering that no other email addresses or physical address to contact the Defendant No.1 is available and the impugned websites have also been taken down, issuance of further summons and notice to the Defendant No.1 in the present suit has become an impossibility. Hence, the Defendant No.1 is being proceeded against *ex parte*.

25. In the peculiar circumstances of the present case, Mr. Anand, Id. Counsel for the Plaintiff submits that the impugned websites currently having been taken down, the interim injunction granted by the Id. Division Bench, vide judgment dated 19th September, 2022, may be made absolute. He also submits that the Plaintiff does not wish to press the reliefs of damages and costs in the circumstances of the present case.

26. Following the judgment in *Disney Enterprises Inc. & Anr. v. Balraj Muttneja & Ors.* [CS (OS) 3466/2012 decided on 20th February, 2014], no *ex parte* evidence would be required in this matter. The same has been reiterated by the Court in *S. Oliver Bernd Freier GMBH & CO. KG v. Jaikara Apparels and Ors.* [210 (2014) DLT 381], as also, in *United Coffee*

House v. Raghav Kalra and Ors. [2013 (55) PTC 414 (Del)]. The relevant observations from the judgment in *Disney Enterprises Inc. (supra)*, are as under:

“3. Though the defendants entered appearance through their counsel on 01.02.2013 but remained unrepresented thereafter and failed to file a written statement as well. The defendants were thus directed to be proceeded ex-parte vide order dated 04.10.2013 and the plaintiffs permitted to file affidavits by way of ex-parte evidence.

4. The plaintiffs, despite having been granted sufficient time and several opportunities, have failed to get their affidavits for leading ex-parte evidence on record. However, it is not deemed expedient to further await the same and allow this matter to languish, for the reason that I have in Indian Performing Rights Society Ltd. Vs. Gauhati Town Club MANU/DE/0582/2013 held that where the defendant is ex parte and the material before the Court is sufficient to allow the claim of the plaintiff, the time of the Court should not be wasted in directing ex parte evidence to be recorded and which mostly is nothing but a repetition of the contents of the plaint.”

27. Accordingly, in light of the above discussion, the *ad-interim* injunction granted vide judgment dated 19th September, 2022 passed by the Id. Division Bench, is confirmed. The present suit is liable to be decreed by way of permanent injunction granted in terms of paragraph 30 of the judgment dated 19th September, 2022, passed by the Id. Division Bench of this Court extracted hereinabove. No other reliefs are pressed.

28. Decree sheet be drawn. All pending applications are also disposed of.

**PRATHIBA M. SINGH
JUDGE**

SEPTEMBER 27, 2022/dk/ad