Turning Point & Anr. Vs.turning Point Institute Private Ltd

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Court : Delhi

Decided On : Aug-02-2018

Appellant : Turning Point & Anr.

Respondent : Turning Point Institute Private Ltd

Judgement :

$~ *IN THE HIGH COURT OF DELHI AT NEW DELHI Reserved on:

24. h May, 2018. Pronounced on:

2. d August, 2018 + FAO(OS) 263/2017 & CM Nos.35553-54/2017 TURNING POINT & ANR. ..... Appellants Through : Mr. Saif Khan, Mr. Manish Biala, Mr. Devesh Ratan and Mr. Ashutosh Upadhyaya, Advs. versus TURNING POINT INSTITUTE PRIVATE LTD Through : Mr. Ankit Kaushal and ..... Respondent Mr. Kunal Khanna, Advs. CORAM:-

"HONBLE THE ACTING CHIEF JUSTICE HONBLE MR JUSTICE C. HARI SHANKAR % JUDGMENT C. HARI SHANKAR, J.

1. This appeal, at the instance of M/s Turning Point (hereinafter referred to, for the sake of convenience, as the appellant) and its proprietor Mr. Keshav Kumar Agarwal, challenges an interlocutory order, dated 11th August, 2017, passed by the learned Single Judge, adjudicating IA162322015 in CS (OS) 2368/2015 and IA220812015 in CS (OS) 3159/2015. CS (OS) 2368/2015 was filed by M/s Turning Point Institute Pvt. Ltd. (hereinafter referred to as the respondent), against the appellant, whereas CS (OS) 3159/2015 was FAO(OS)263/2017 Page 1 of 77 preferred by the appellant, against the respondent. Interlocutory Applications were filed, by the respective plaintiffs, in the suits, essentially praying for ad interim injunctions, restraining the opposite party from using the mark/name TP TURNING POINT, or any other deceptively similar trademark/tradename, in association with any of its products/services. Specifically, IA162322015 was filed, by the respondent, in CS (OS) 2368/2015, whereas IA220812015 was filed, by the appellant, in CS (OS) 3159/2015, in each case under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter referred to as the CPC).

2. The impugned order, dated 11th August, 2017, of the learned Single Judge, allows IA162322015, filed by the respondent against the appellant, and dismisses IA220812015, filed by the appellant against the respondent. As a consequence, the appellant has been injuncted from using the mark TP TURNING POINT, or any part thereof, either as a word mark, in respect of services of providing coaching/training classes to students, or as a part of its corporate name.

3. The appellant is in appeal thereagainst. The prayers in this appeal read thus: a. Set aside/vacate the order dated 11.08.2017 passed by the Learned Single Judge in IA No.16232/2015 in CS(OS) No.2368/2015 filed under Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908; the b. Appellants herein in the cross suit and grant an order of the IA No.22081/2015 Allow filed by FAO(OS)263/2017 Page 2 of 77 interim injunction in

favour of the Appellants and against the Respondent. c. Pass any other order that this Honble Court may deem fit in the interest of equity, justice and good conscience. We may state, here, that our consideration in this judgment would be limited to prayer (a) as prayer (b) cannot be maintained independently, without seeking quashing of the impugned judgment insofar as it dismisses IA220812015, for which a separate appeal would be required. We may observe, here, that arguments, were advanced only on the sustainability of the decision of the learned Single Judge to grant interlocutory injunction in favour of the respondent, and not on the appellants prayer for injuncting the respondent from operating under the TP TURNING POINT mark. Our final directions would, however, protect the equities of both the parties.

4. The case of the respondent, in CS (OS) 2368/2015:

4. 1 The respondent was engaged in providing educational and training services, by way of preparatory classes for competitive examinations such as the IIT-JEE, PMT, and others, and was operating under the trademark TP TURNING POINT. It was incorporated on 15th March, 2001, and was operating a website under the address http://www.turningpointedu.org. It is admitted that the respondent did not hold a trademark registration either for the words, or the label TP TURNING POINT. FAO(OS)263/2017 Page 3 of 77 4.2 The respondent contended that Mr. Tej Narain Chowdhury, its Managing Director, a physics teacher, used to impart tuition to Praveen Saini and that, on an evening in March 1994, when he was having tea, at the house of Praveen Saini, he disclosed his plan to start a coaching institute for engineering and medical entrance examinations, and that he was debating on a name therefor. At this, it was contended, Bindu Saini, the aunt of Praveen Saini, suggested that he name his proposed institute Turning Point, which was the name of a television program, based on science and targeted at removing superstition, with which she was highly impressed. This suggestion appealed to Mr. Chowdhury; however, he prefixed the words Turning Point with TP, of which the letter T was intended to represent his name and the letter P was intended to represent the name of his close friend Ram Prakash Gupta @ Prakash, who had expressed his willingness to work as a math teacher in the coaching institute. It was thus, according to the respondent, that the name TP Turning Point came into existence in March 1994, under which name the coaching institute commenced its activities on 11th April, 1994. 4.3 The trademark TP Turning Point, of the respondent, was represented, alternatively, in either of the two following modes: FAO(OS)263/2017 Page 4 of 77 4.4 According to the respondent, its coaching institute was running, since 1994, under the trademark TP Turning Point, with a group of experienced teachers, and had, since then, been imparting quality education to thousands of students, who had benefited, immensely, thereby. It had expanded its centres to various other states during the period 2005 to 2011, and had also diversified into classroom coaching, correspondence courses, online testing, admission guidance, campus coaching and transport and hostel facilities. Inasmuch as we are concerned with a limited issue in the present appeal, it is not necessary for us to refer to all the other purported attributes of the respondent, to which it had drawn reference before the learned Single Judge. We may note, however, that, though the learned single Judge, in para 14 of the impugned judgement, notes the submission, of the respondent, that its institute, under the trademark TP Turning Point had gained immense reputation since 1994 and had, as evidence thereof, referred to its annual turnover and advertisement and promotional expenses, these figures were cited only for 5 years prior to the date of filing the suit, i.e. for the period 2010-2011 to 2014-2015. These figures, needless to say, cannot be of any use in examining the present controversy, inasmuch as the respondent contends that it came into existence in 1994, and the appellant contends that it came into existence in 1998. Be that as it may, the contention of the respondent was that, on 19th April, 2015, its Managing Director came across an advertisement, of the appellant, which indicated that the appellant was rendering services identical to those rendered by it, using the trademark TP Turning Point. This, it was sought to be submitted, FAO(OS)263/2017 Page 5 of 77 made the Managing Director of the respondent wise about the fact that the appellant was passing off its services, as services provided by the respondent, by unauthorizedly borrowing the respondents trademark TP Turning Point. 4.5 At this juncture, we may note that the appellants trademark was as under:

4. 6 The respondent, therefore, sought to contend that, as a prior user of the trademark TP Turning Point,

since 1994, the respondent had the sole and exclusive right to use the said trademark, and that the subsequent use and registration of an identical, or even deceptively similar, mark, by the appellant, infringed thereon. Various documents were relied upon, by the respondent, as evidencing its claim of prior adoption and use of the trademark TP Turning Point since 1994. We would be referring, later in the course of this judgement, to the said documents in detail and, therefore, refrain from doing so at this stage. 4.7 The respondent also sought to contend that the appellant had not produced cogent evidence to substantiate its claim of user, of the trademark TP TURNING POINT, from 1998. In fact, it was sought to be contended, as a result of the illegal use, by the appellant, of the FAO(OS)263/2017 Page 6 of 77 respondents trademark TP TURNING POINT, innocent students were being beguiled into believing the services, provided by the appellant, to be relatable to the respondent, prejudicing their careers in the bargain. It was alleged, therefore, that the appellant was seeking to wrongfully encash on the goodwill of the respondent, resulting in irreparable loss and damage to the respondents reputation, apart from the monetary loss that the respondent suffered as a consequence. 4.8 It was on these submissions that the respondent predicated its case, for issuance of an injunction, against the appellant, from using the trademark TP Turning Point.

5. The case of the appellant, in CS (OS) 3159/2015:

5. 1 In response to the case sought to be set up by the respondent, the appellant, which was a sole proprietorship of Keshav Aggarwal, asserted that it was engaged in providing educational, coaching and training services, similar to those provided by the respondent, since 1998, under the mark Turning Point, coined by it. The said mark was, admittedly, registered, in Class 41, in favour of the appellant, for Educational Services, Providing of Training, entertainment Sporting and Cultural Activities, on 15th November, 2005. Even so, the appellant claimed user, of the said mark, in providing educational, coaching and training services, from 1998. The appellant was also operating a website, www.theturningpointonline.com, and professed to be conducting online tests and uploading various demo lectures on the web, accessible across the world. Like the respondent, the FAO(OS)263/2017 Page 7 of 77 appellant also highlighted its achievements, and asserted that it was a leader in the field. The appellant further contended that it had extensively advertised services with its mark Turning Point, through brochures and advertisements in newspapers. On the basis of its activities, the appellant pointed out that, from a turnover of 2,90,000, in 1999-2000, it had achieved a turnover of 1,53,23,748 in 2014- 2015. The appellant claimed, therefore, to have amassed enormous goodwill and reputation in the market, for its quality-driven and effective coaching and training, resulting in its mark Turning Point becoming distinctive and well-known, within the meaning of Section 2(z)(g) of the Trade Marks Act, 1999 (hereinafter referred to as the Act). This fact, it was asserted, had been judicially acknowledged, by this court, in Keshav Kumar Agarwal v. N.I.I.T., 2013 (54) PTC178on which, consequently, the appellant placed reliance. 5.2 Disputing the contentions of the respondent, the appellant asserted that it was the first to coin the mark Turning Point, and was a prior user thereof. In the appellants submission, it was the respondent who subsequently copied the appellants mark, in 2001. The appellant asserted that there was no cogent documentary or other evidence to support the claim, of the respondent, of having been in existence since 1994, and contended that this claim had been raised only so as to defeat the appellants claim to prior adoption and use of the Turning Point mark since 1998. It was pointed out, inter-alia, that the rent receipts, relied upon by the respondent, did not feature the alleged mark, and, in the gas service delivery voucher dated 3rd FAO(OS)263/2017 Page 8 of 77 September, 1996, relied upon by the respondent, the words M/s Turning Point were handwritten and, therefore, unworthy of reliance. 5.3 The appellant also pleaded limitation, relying on Section 33 of the Act. For this purpose, the appellant submitted that it had been engaged in providing educational services since 1998, which was nearly 18 years prior to the filing of the suit by the respondent. According to the appellant, the respondent must have, at all times, been aware of the appellants existence in the market, especially as the services provided by the appellant and the respondent were identical. 5.4 As a residual contention, the appellant pleaded honest and concurrent usage of the disputed mark Turning Point. 5.5 In these circumstances, contended the appellant, grant of any injunction, against it, would not only be unjustified on facts and in law, but would also result in major inconvenience and difficulty, not only to the appellant, but also to its students, whose interests had necessarily to be borne in

mind by the court.

6. The respondents case in rejoinder:

6. 1 Rejoining to the above submissions of the appellant, the respondent sought to point out that the documents, relied upon by the appellant, to establish usage, by it, of the mark Turning Point, since 1998, were of no avail, as they either pertained to later periods, or entities other than the appellant, such as Pyramid Classes and Kiran FAO(OS)263/2017 Page 9 of 77 Sports and Stationers. Certain bills issued by the Delhi Vidyut Board/BSES, and various telephone companies, were in the name of case of Keshav Kumar Agarwal, and not in the name of the appellant. Similarly, bank statements, on which reliance was placed by the appellant were, too, it was pointed out, in the name of Keshav Kumar Agarwal. 6.2 The respondent further sought to highlight the fact that the appellant had not explained the usage, by it, of the initials TP, in the mark registered by it. The usage of these initials, it was submitted, established conscious and intentionally dishonest adoption, by the appellant, of the respondents mark. 6.3 The bonafides of the appellant were also sought to be questioned, by the respondent, by pointing out that the appellant had, in 2002, registered a company with the name Turning Point Education Testing Services Private Ltd., submitting that, at the time of such registration, the appellant would inevitably have come across the name of the respondent, which had been registered in 2001. Despite this, it was submitted, the appellant chose to keep quiet. Had the appellant genuinely believed itself to be a prior user of the mark Turning Point, contended the respondent, the appellant would have applied to seek an injunction against the respondent in 2002 itself, and not filed its suit after the filing of the suit by the respondent. On this basis, the plea of limitation was also advanced by the respondent, to contest the appellants suit. The plea of limitation, urged by the FAO(OS)263/2017 Page 10 of 77 appellant, was contested on the ground that the respondent initiated action as soon as it discovered about the activities of the appellant.

7. The impugned judgement:

7. 1 Having thus recorded the submissions advanced, before him, by plaintiff and defendant, the learned Single judge proceeded, in the impugned judgement, to reason as under: (i) The respondents case was of passing off, as it had not even applied for registration of its trademark TP Turning Point. Cases of passing off were classically adjudicated on the basis of the law laid down in Reckitt & Colman Products Ltd v. Borden Inc., (1990) 1 All ER873(HL), which prescribed, in that regard, the trinity test, of misrepresentation, goodwill and damage. These three factors had, therefore, cumulatively to be established, in order for an action of passing off to succeed. (ii) Before adverting to these issues, it was necessary to examine the aspect of prior user, which was imperative in cases of passing off. In support of its claim of prior user, the respondent had relied on several documents, which were dealt with, seriatim, thus: (a) The affidavit of Bindu Saini deposed that she was the creator of the word mark TP Turning Point. She had deposed, in the said affidavit, that she had created the said word mark when Mr Tej Narain Chowdhury had FAO(OS)263/2017 Page 11 of 77 visited her house in connection with physics tuitions, being provided, by him, to her nephew Praveen Saini. It was deposed, in the affidavit, that one evening, in the month of March 1994, Mr Chowdhury was having tea at her house, when he disclosed his plan to start a coaching institute for engineering and medical entrance examinations, and that he was seeking a name for the proposed institute. Bindu Saini further deposed, in her affidavit, that she suggested, to Mr Chowdhury, the name Turning Point, which was drawn from a television program of the said name, which sought to dispel superstitious notions, existing in the minds of people, on the basis of science. Mr. Chowdhury, she deposed, was convinced, to use the name, merely adding a prefix to Turning Point, the letters TP, of which the letter T represented his name and the letter P represented the name of his close friend Prakash. (b) The respondent had also filed affidavits of Mr. Ram Parkash Gupta (Prakash) and Mrs. Ashu Sharma, who claimed to have been teachers at the respondents Institute, during the period April 1994 to July 1995, and November 1994 to February 1997 respectively. These affidavits vouchsafed that educational services were being provided, in the said Institute, since 1994. The said deponents further asserted, in their affidavits, that the respondents Institute was functioning, from the premises FAO(OS)263/2017 Page 12 of 77 GH-14/386, Paschim Vihar, New Delhi, till April, 1995 whereafter the institute

shifted to Shop No 4, 3rd floor, Ram House, Jwala Heri, Paschim Vihar (hereinafter referred to as the Jwala Heri premises). (c) Further affidavits were filed, by the respondent, of Rajendra Chauhan, a painter who claimed to have painted the signboard of Turning Point, during the period it functioned from Paschim Vihar as well as later, after it had shifted to the Jwala Heri premises, and Akash Yadav, who deposed that he was the caretaker of the Jwala Heri premises. However, the learned Single Judge has rejected the affidavit of Akash Yadav as being of no significance, amounting, as it did, to hearsay, as Akash Yadav joined the respondent only in 2003, even as per his own affirmation. (d) Apart from these, the respondent filed affidavits of 17 students, who claimed to have received tuition/coaching, from the respondent, during various periods in 1994 to 2000, and having, by reason thereof, secured good results in examinations conducted in the succeeding year. All these students further deposed that the respondents Institution had been imparting educational services, under the name and style TP Turning Point, since 1994. FAO(OS)263/2017 Page 13 of 77 (e) The respondent further relied on rent receipts issued in respect of the Jwala Heri premises. These receipts could be categorised thus: (i) One set of receipts, for the period May 1995 to March 2001, described the property as property of Sh. Ram Yadava. The receipts for the years 1995 to 1999, were at the rate of 600/- per month, and indicated that rent had been received from Shri T.N. Chowdhury, the tenant. These receipts did not bear the name Turning Point. Apart from these, there was a receipt dated 10th June, 2000, for the period January to June 2000, at the rate of 600/- per month and another receipt dated 30th March, 2001, covering the period September 2000 to March 2001, at the rate of 1,200/- per month. (ii) Printed rent receipts, covering part of the same period i.e. from February 1997 onwards, were also placed, by the respondent, on record, in which the Jwala Heri premises were shown as property of Renuka Singh. The rent indicated in these receipts was 500/- per month, and the tenant was shown as Tej Narain Chawdhary (Turning Point) (Tenant). This clearly indicated an overlap, for the period after February 1997, for FAO(OS)263/2017 Page 14 of 77 which one set of receipts described the property as belonging to Ram Yadava with the rent as 600/- per month, and another set of receipts described the property as belonging to Renuka Singh with rent of 500/- per month. (iii) Monthly rent receipts, for the month of August, 1997 and thereafter, were also placed on record, which were similar to the receipt dated 1st June, 1997 (supra) describing the property as belonging to Renuka Singh and the tenant as Tej Narayan Chawdhury, (Turning Point), (tenant) with the rent as shown as 500/- per month. In view of the overlap in the above sets of rent receipts, the learned Single Judge, in para 53 of the impugned judgement, has held that the rent receipts could not be relied upon, and had to be ignored. (f) The respondent also relied upon certain telephonic bills. Notice has been taken, in para 54 of the impugned judgement, of the telephone bill in respect of telephone number 5688081 issued in the name of Suresh Kumar Yadav with the address of the Jwala Heri premises, for the period 21st September, 1996 to 31st October, 1996. Another telephone bill, for the number 5575510, in the name of Lt. Col. Maninder Singh Marwah for the period FAO(OS)263/2017 Page 15 of 77 1st January, 1996 to 22nd September, 1996, was also relied upon. In respect of these bills, the learned Single Judge has observed as under: It was not, and even now it is uncommon that landline telephone connection obtained in the name of some other person may be used by the tenant who may be inducted in the premises where the landline connection may be installed. (g) The respondent also relied on certain test series question papers, which, too, however, were rejected by the learned Single Judge, as they did not bear any date, so that the period to which they pertained was not clear. As such, the learned Single Judge held that these documents could not support the respondents claim of use of the mark TP TURNING POINT from 1994 onwards. (h) The learned Single Judge, however, found two pieces of evidence, produced and relied upon by the respondent as prima facie (establishing) the claim of the plaintiff. These were a delivery voucher dated 3rd September, 1996, issued by KWIC Gas Service, in respect of Customer No.16724, and a flyer, purportedly issued by the respondent. The observations of the learned Single Judge, regarding these two pieces of evidence, as contained in paras 55 to 61 of the impugned judgement, merit reproduction in extenso, as under: FAO(OS)263/2017 Page 16 of 77 55. However, two documents which, prima facie, establish the claim of the plaintiff may now be taken note of. These are, firstly, the delivery voucher issued by KWYC Gas Service dated 03.09.1996 in respect of Consumer No.16724, showing the name and address M/s. Turning Point Instt., 3rd Floor, Ram House, Jwala Heri Market, Paschim Vihar, New Delhi in respect of the issue of Indane Gas Cylinder. The same apparently bears the signature of Sh. T.N. Chawdhary. This document shows that Turning

Point institute was in existence in September 1996 at the aforesaid address at Jwala Heri. This apart, the plaintiff has also placed on record the original flyer issued by TP Turning Point. This flyer notifies the public at large that: Now TURNING POINT has shifted to Jwala Heri Market CLASSES COMMENCING FROM12APRIL1995 III FLOOR RAM HOUSE, JWALA HERI MARKET (ABOVE KUMAR SWEETS) PASCHIM VIHAR.

56. At the top, this flyer states that: Heartiest thanks to all our students & parents !! With your cooperation & support we have completed our First academic session (1994-95) Very successfully.

57. At the bottom, it contains a note: FAO(OS)263/2017 Page 17 of 77 from Note: Turning Point has shifted GH-14/386, Paschim Vihar to Jwala Heri Market, P.V. All classes now will be held at Jwala Heri Market.

58. On the reverse side of the flyer, the flyer mentions: TURNING POINT PIONEER INSTITUTE FOR PRE-MEDICAL/ENGG. & BOARDS ENROLMENT STARTS FOR MED ENGG ..... 1996 & 1997 PHY CHEM MATHS BIO SEPARATE SUBJECT COACHING (XI-XII) FOUNDATION IX-X MATHS & SCIENCE CLASS TIMING:

10. 30 TO1230 & 4:30 TO730. (SUNDAY OPEN) It again mentions that 59. Turning Point has shifted as aforesaid and also mentions the address at Jwala Heri Market. the fact 60. The name of the publisher/printer of the flyer has been mentioned as Virgin Ideas (Ph:

55812. 7).

61. Thus, prima facie, it appears to this Court that the plaintiff has been able to establish adoption and user of the mark TP Turning Point atleast from April 1995 onwards. FAO(OS)263/2017 Page 18 of 77 (i) Inasmuch as the claim of the appellant was that it was using the Turning Point mark in and after 1998, the learned Single Judge held that it was prima facie apparent, from the aforementioned documents, that the respondent was the first to adopt and use the mark TP TURNING POINT. (j) On the other hand, the documents relied upon by the appellant did not, in the opinion of the learned Single Judge, indicate, prima facie, usage by it, of the mark Turning Point from 1998 onwards. All that was available was a notice-cum-announcement for the batch 1999-2000 showing the TP TURNING POINT mark, in which the letters TP were enclosed in a book. Sales figures, provided by the appellant, were also for the year 1999 onwards. The documentary evidence indicated, therefore, that, while the respondent had been using the mark TP TURNING POINT from 1994-1995 onwards, the appellant had been using the mark from 1999 onwards. (k) The issue of prior user has, therefore, been decided by the learned Single Judge, in favour of the respondent and against the appellant. (l) The learned Single Judge, thereafter, proceeded to examine the issue of misrepresentation. FAO(OS)263/2017 Page 19 of 77 Misrepresentation, in the context of passing off claims, it was observed, was not necessarily intentional, and was only required to be such as was likely to cause confusion in the minds of the public (i.e. the actual or potential customers or users) that the goods of services offered by the defendants were the goods of services by the plaintiff. Likelihood of confusion, further, was required to be examined on the touch stone of imperfect recollection of a person of ordinary memory. As the services provided by the appellant and respondent were identical, and their customer base was also the same, i.e. students appearing in competitive examinations, the learned Single Judge held that the possibility of the students being misled into believing the services provided by the appellant to be those provided by the respondent, definitely existed, thereby establishing the element of misrepresentation. (m) The learned Single Judge has next addressed the second of the three indicia in the trinity test postulated in Reckitt & Colman Products Ltd. (supra), i.e. goodwill. The learned Single Judge observes that goodwill and reputation were required to be ascertained from sales figures, advertisements, promotional expenses and continuous use, and was required to be seen from the date when the defendant commenced its activities. In the present case, the defendant, i.e. the appellant before us, commenced providing services under the mark TP FAO(OS)263/2017 Page 20 of 77 TURNING POINT from 1999. As such, existence of the plaintiffs goodwill had to be examined as in 1999 and prior thereto. Having thus set out the basis for examining the issue, the learned Single Judge, even while acknowledging that the sale figures and advertisements expenses of the respondent, in and prior to 1999, were not significant, held nevertheless, that the respondent had, prima facie, established continuity of adoption and use of its mark TP

TURNING POINT since 1995. Thus, holds the learned Single Judge, the plaintiff must have earned some goodwill and reputation in about 3-4 years of its existence, between 1995-1999 when, for the first time, the defendants adopted and started using the mark in question. In fact the following findings of the learned Single Judge, on this issue, as contained in para 66 of the impugned judgement, deserves to be reproduced, in full, thus: As aforesaid, the defendants - as per the documents brought on record, commenced the use of the impugned mark in 1999. Thus, the existence of goodwill of the plaintiff would have to be assessed as in 1999, and prior thereto. Though the sales figures and advertisement expenses of the plaintiff institute at that point of time may not be significant, the plaintiff has prima facie, established continuity of adoption and use of its mark TP TURNING POINT since 1995. Thus, the plaintiff must have earned some goodwill and reputation in about 3 to 4 years of its existence, between 1995 to 1999 when, for the first time, the defendants FAO(OS)263/2017 Page 21 of 77 adopted and started using the mark in question. I may also observe that unlike other businesses involving manufacture and sales of goods which may take considerable time to acquire goodwill and reputation because of the feedback from the customers coming only after they have used the goods over a period of time, the nature of services offered by the parties in the present case is such that the goodwill and reputation is built rapidly once the results of the competitive examination are declared each year. It is not uncommon to see large full page advertisements in National dailies given out by those running coaching classes, proclaiming the success of their students who are participants in the competitive examinations, on the day following the declaration of examination results. Thus, even in 1999, the plaintiff would have earned goodwill and reputation, when the defendant adopted and started using the mark in question for its identical services. The existence of goodwill and reputation can also flyer contemporaneously got published by the plaintiff in 1995. The said flyer conveys: Hearties thanks to all our students & parents !! inferred be from the With your cooperation & support we have completed our First academic session (1994-

95) very successfully.

67. The plaintiffs goodwill and reputation can also be inferred from the affidavits of the students filed by the plaintiff, taken note of herein above. The reputation and goodwill earned by the plaintiff from the inception of its business has been preserved and appears to have grown, firstly, on FAO(OS)263/2017 Page 22 of 77 account of continuity and, secondly, on account of the increase in its turnover and advertisement expenditure.

68. At the time of institution of the suit, owing to the continuous and uninterrupted use of the mark in question by the plaintiff, there appears to be sufficient prima facie material on record to establish the goodwill and reputation attained by the plaintiff. It that cannot be denied 69. the defendants have also attained goodwill and reputation, as is prima facie evident from their sales figures. But, this reputation and goodwill of the defendants is a result of adoption of the mark, subsequent to the plaintiffs adoption of the mark in question and, secondly, the defendants adoption of the mark, prima facie, seems to be dishonest. The aspect about the defendants adoption and use of the mark being dishonest is discussed a little later in this order. (n) The learned Single Judge, thereafter, examines the issue of damage. In this regard, it is held, in paras 70 and 71 of the impugned judgement, that, during the years 2010 to 2015, while the annual turnover of the respondents business had become almost stagnant, the appellants business using the trade mark TP TURNING POINT had zoomed past eight figures. This surge in the turnover of the appellant, it was held, prima facie appears to be because of the subsequent dishonest adoption of the identical mark by the defendant for the same services. Following on the above analysis, the FAO(OS)263/2017 Page 23 of 77 learned Single Judge concludes, in para 71 of the impugned judgement, that an overall assessment of these three elements, in the light of the facts at hand establishes a prima facie case of passing off in favour of the plaintiff. (o) The learned Single Judge has also rejected the plea, of the appellant, of honest and concurrent user, observing that the respondent was the prior user of the mark TP TURNING POINT, in respect of the same services, and the appellant had failed to explain the usage, by it, of the initials, TP before Turning Point, while the respondent had furnished an explanation for using the said letters. (p) The learned Single Judge has also found merit in the respondents submission that the appellant would have, at any rate, learnt of the existence of the

respondents company, when the appellant got M/s. Turning Point Education Testing Services Private Limited incorporated in 2002, so that the inaction, of the appellant in seeking protection of its trade till the filing, of the respondent, of its suit indicated want of bonafides on the appellant part. (q) The plea of limitation and laches, urged by the appellant, was also rejected, by the learned Single Judge, FAO(OS)263/2017 Page 24 of 77 accepting, in the process, the respondents submission that it had come to know of the usage by the appellant, of the mark TP TURNING POINT, only in 2015. The reliance, by the appellant, on the judgement of this Court, in Keshav Kumar Agarwal (supra) was also held to be misdirected, as the respondent was not a party to the said decision, which did not, therefore, consider the issue of the respondent being the prior user of the mark TP TURNING POINT. As such, it was held, by the learned Single Judge that the decision in Keshav Kumar Agarwal (supra) would not bind the respondent. Neither, it was opined, could the said decision be used as a basis to impute knowledge, to the respondent, of the appellant using the TP TURNING POINT mark in respect of services identical to those provided by the respondent. (r) The benefit of Section 33 of the Act, on which, too, the appellant had placed reliance, was, it was held, not available to the appellant, firstly because there was no evidence to indicate that the respondent was aware of the existence of the registered trade mark TP TURNING POINT and, secondly, because the adoption and use of the said mark, by the appellant, did not appear to be in good faith. These two criteria, which were essential for invocation of Section 33 of the Act was, therefore, it was held, absent in the present case. FAO(OS)263/2017 Page 25 of 77 (s) In view of the fact that the respondent had been found, by him, to be the prior user of the mark TP TURNING POINT, the learned Single Judge held that no case of infringement or passing of the appellants trade mark by the respondent, existed. Further, it was observed that, in Satyam Infoway Ltd v. Siffynet Solutions (P) Ltd, (2004) 6 SCC145 it was held, by the Supreme Court, that, where two trade rivals claimed to have individually invented the same mark, the trader who was able to establish prior user would succeed in the case of passing off. 7.2 Following on the above reasoning, as already noticed hereinabove, the learned Single Judge, vide the impugned order, allowed IA162322015 of the respondent and dismissed IA220812015 of the appellant. Consequently, the appellant stands injuncted from using the mark TP TURNING POINT or any part thereof, in respect of its services of providing coaching/training classes. Costs of 50,000/- have also been awarded, by the learned Single Judge, in favour of the respondent and against the appellant.

8. Detailed arguments were advanced, before us, in this appeal, spanning several days. At the end of it all, however, the takeaway was that Mr Saif Khan, learned Counsel for the appellant, sought to establish that the respondent had failed to establish prior user, i.e. use, by it, of the mark TP TURNING POINT, during the period FAO(OS)263/2017 Page 26 of 77 1994 to 1998, or earning, by it, of goodwill, based on such user, and Mr Sushant Singh, per contra, sought to prove that it had, indeed, satisfied the said indicia and, thereby, made out a case of passing off, by the appellant, of its services, as those being rendered by the respondent. Our job, in this appeal, is fairly simple, which is to examine whether the requisite criteria, to maintain an action of passing off, against the appellant, stood satisfied by the respondent, as would justify grant, to it, of interim injunction, which stands granted by the learned Single Judge vide the impugned order.

9. We do not, therefore, propose to follow the classical sequence of first referring to the rival submissions and, thereafter, adverting to the law applicable in this regard, but would choose, instead, to set out the legal principles which are elementary and, to an extent, jurisprudentially fossilised with the passage of time and, thereafter, to examine whether the evidence led, by the respondent before the learned Single Judge, justified grant of injunction, in the light thereof.

10. The position, at law:

10. 1 We may state, at once, that, when we pen this order, we do so in the full awareness of the limited scope of our jurisdiction, while sitting in appeal over the decision of the learned Single Judge, which is fundamentally discretionary in nature. Indeed, we may reproduce, for the purpose, the following words, occurring in para 14 of the report in Wander Ltd v. Antox India P Ltd, 1990 (Supp) SCC727 which place the legal position beyond any pale of doubt: FAO(OS)263/2017 Page 27 of 77 The appeals before the Division Bench were against the exercise of discretion by the Single Judge. In such appeals, the appellate court will not

interfere with the exercise of discretion of the court of first instance and substitute its own discretion except where the discretion has been shown to have been exercised arbitrarily, or capriciously or perversely or where the court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. An appeal against exercise of discretion is said to be an appeal on principle. Appellate court will not reassess the material and seek to reach a conclusion different from the one reached by the court below if the one reached by that court was reasonably possible on the material. The appellate court would normally not be justified in interfering with the exercise of discretion under appeal solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion. (Emphasis supplied) 10.2 With this prefatory caveat, we proceed to the law relating to passing off actions, by referring to some of the leading authorities on the subject. J.

Bollinger v. Costa Brava Wine Co., 1960 Ch 262 (the Champagne Case) 10.3 While passing off, as a tort, is of enviable vintage, the concept, as a chose-in-action in the intellectual property arena, owes its origin to the judgement of the Chancery Division of the High Court of the United Kingdom in J.

Bollinger (supra) (which has, since, FAO(OS)263/2017 Page 28 of 77 acquired fame as the Champagne Case). The indicia of a passing off action were, in that case, expressed thus: The well-established action for passing-off involves the use of a name or get-up which is calculated to cause confusion with the goods of a particular rival trader, and I think it would be fair to say that the law in this respect has been concerned with unfair competition between traders rather than with the deception of the public which may be caused by the defendants conduct, for the right of action known as a passing-off action is not an action brought by the member of the public who is deceived but by the trader whose trade is likely to suffer from the deception practised on the public but who is not himself deceived at all. (Emphasis supplied) Later in the course of the said judgment, it was categorically observed, by the High Court, that the law may be thought to have failed if it can offer no remedy for the deliberate action of one person which causes damage to the property of other. 10.4 From this decision, the use of a mark, in such a manner as is calculated to cause confusion that the goods are those of a rival trader, is clearly revealed as an essential ingredient, to sustain an action of alleged passing off. However, the subsequent observation, in the above extracted passage from J.

Bollinger (supra), to the effect that passing off actions were concerned more with unfair competition between traders than with deception of the public, may, with the development of the law in later years, have become disputable, as the authorities cited hereinafter would reveal. Erven Warnink Besloten Vennootschap v. Townend & Sons (Hull) Ltd., (1979) 3 WLR68FAO(OS)263/2017 Page 29 of 77 10.5 The concept of passing off received a further fillip in the judgment of the House of Lords in Erven Warnink Besloten Vennootschap v. Townend & Sons (Hull) Ltd., (1979) 3 WLR68 In the said case, the Court of Appeal had ordered that the respondents (before the House of Lords), be restrained from (1) advertising, offering for sale, selling or distributing any product under or bearing the name or description advocaat or any word so nearly resembling advocaat as to be likely to be confused therewith unless such product basically consists of spirit and eggs and does not include wine and (2) representing that a mixture of wine and eggs is advocaat. Dealing with the law in relation to an action of passing off, Lord Diplock, speaking for the House, first identified passing off as a distinct specie of the genus of unfair trading as an actionable wrong, which resulted in loss of business or goodwill. The decision identifies the genesis of actions for passing off as of 19th century vintage, relating to the use in connection with his own goods by one trader of the trade name or trade mark of a rival trader so as to induce in potential purchasers the belief that his goods were those of the rival traders. 10.6 The decision noted that the peripheries of passing off action were expanded, later, by Lord Parker in Spalding v. A.W.Gamage Ltd. (1915) 84 L.J.Ch.449, by identifying the right, the invasion of which was the subject of passing off actions as being the property in the business of goodwill likely to be injured by the misrepresentation. FAO(OS)263/2017 Page 30 of 77 10.7 Diplock, L.J.

thereafter, went on to identify the concept of goodwill as being in law a broad one, best expressed by the

words of Lord Macnaghten in Inland Revenue Commissioners v. Muller & Co.s Margarine Ltd. (1901) A.C. 217: It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. 10.8 Thereafter, Diplock L.J.

identified five characteristics, required to be present in order to create a valid cause of action for passing off, as

(1) a misrepresentation

(2) made by a trader in the course of trade,

(3) to prospective customers of his or ultimate customers of goods or services supplied by him,

(4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and

(5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quita timet action) will probably do so. 10.9 The passage that follows, after the delineation of the above five characteristics, makes for instructive reading: In seeking to formulate general propositions of English law, however, one must be particularly careful to beware of the logical fallacy of the undistributed middle. It does not follow that because all passing off actions can be shown to present these characteristics, all factual situations which present these characteristics give rise to a cause of action for passing off. True it is that their presence indicates what a moral code would censure as dishonest trading, based as it is upon deception of customers and consumers of a traders wares but in an economic system which has relied on competition to keep down prices and to improve products there may be FAO(OS)263/2017 Page 31 of 77 practical reasons why it should have been the policy of the common law not to run the risk of hampering competition by providing civil remedies to everyone competing in the market who has suffered damage to his business or goodwill in consequence of inaccurate statements of whatever kind that may be made by rival traders about their own wares. The market in which the action for passing off originated was no place for the mealy mouthed; advertisements are not on affidavit; exaggerated claims by a trader about the quality of his wares, assertions that they are better than those of his rivals even though he knows this to be untrue, have been permitted by the common law as venial puffing which gives no cause of action to a competitor even though he can show that the has suffered actual damage in his business as a result. Reckitt & Colman Products Ltd 10.10 The history of passing off litigation, in modern times, is generally reckoned from the subsequent judgment of the House of Lords in Reckitt & Colman Products Ltd. (supra). In the said case, the plaintiff, Reckitt and Colman Products Ltd, were selling lemon juice in lemon-shaped plastic bottles, under the name Jif lemon juice. The plaintiff sought an injunction to restrain the defendant from passing off, or attempting to pass off, lemon juice, not being the lemon juice of the plaintiff, as and for such lemon juice, by use of a get-up deceptively similar to the get-up used by the plaintiff for its Jif lemon juice. Lord Oliver of Alymerton, who delivered the leading opinion, after cautioning that this is not a branch of law in which reference to other cases is of any real assistance except analogically, neatly condensed the ingredients of the tort of passing off, in the following words: FAO(OS)263/2017 Page 32 of 77 Secondly, he must The law of passing off can be summarised in one short general proposition no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying get-up (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is

immaterial, as long as they are identified with a particular source which is in fact the plaintff. For example, if the public is accustomed to rely upon a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff. demonstrate (Emphasis supplied) 10.11 Oliver, L.J., thereafter, while acknowledging that every case depends upon its own peculiar facts, noticed that even a purely descriptive term consisting of perfectly ordinary English words may, by a course of dealing over many years, become so associated with FAO(OS)263/2017 Page 33 of 77 the particular trader that it acquires a secondary meaning such that it may be properly be said to be descriptive of that traders goods and of his goods alone. The judgement, thereafter, went on to advert to the monopoly assumption, which was that because there has been in fact a monopoly of the sale of this particular article, the public is alleged to make erroneous assumption that a similar article brought to the market for the first time must emanate from the same source. This monopoly assumption, opined Oliver, L.J., is the basis of every passing of action, going on, further, to rule thus: In one sense, the monopoly assumption is the basis of every passing off action. The deceit practised on the public when one trader adopts a get-up associated with another succeeds only because the latter has previously been the only trader using that demonstrates nothing in itself. As a defence to a passing off claim it can succeed only if that which is claimed by the plaintiff as distinctive of his goods and his goods alone consists of something either so ordinary or in such common use that it would be unreasonable that he should claim it as applicable solely to his goods, as for instance where it consists simply of a description of the goods sold. Here the mere fact that he has previously been the only trader dealing in goods of that type and so described may lead members of the public to believe that all such goods must emanate from him simply because they know of no other. To succeed in such a case he must demonstrate more than simply the sole use of the descriptive term. He must demonstrate that it has become so closely associated with his goods as to acquire the secondary meaning not simply of goods of that description but specifically of goods of which and he alone is the source. The principles are aptly expressed in the speech of Lord Herschell in Reddaway v. Banham [1896]. A.C. 199, 210: The name of a person, or words forming part of the common stock of language, may become so far associated with the goods of a particular maker FAO(OS)263/2017 Page 34 of 77 that it is capable of proof that the use of them by themselves without explanation or qualification by another manufacturer would deceive a purchaser into the belief that he was getting the goods of A. when he was really getting the goods of B. (Emphasis supplied) 10.12 In his concurring speech, Jauncey, LJ., clarified that it is not essential to the success of a passing off action that the defendant should misrepresent his goods as those of the plaintiff, and that it was sufficient that he misrepresents his goods in such a way that it is a reasonably foreseeable consequence of the misrepresentation that the plaintiffs business or goodwill will be damaged. The opinion went on to highlight the importance of the aspect of goodwill, in passing off actions, by observing thus: Goodwill was defined by Lord Macnaughten in Inland Revenue Commissioners v. Muller & Co.'s Margarine Ltd. [1901]. A.C. 217, 223224, as the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. Get-up is the badge of the plaintiff's goodwill, that which associates the goods with the plaintiff in the mind of the public. Any monopoly which a plaintiff may enjoy in get-up will only extend to those parts which are capricious and will not embrace ordinary matters which are in common use. However, although the common law will protect goodwill against misrepresentation by recognising a monopoly in a particular get-up, it will not recognise a monopoly in the article itself. Thus A can compete with B by copying his goods provided that he does not do so in such a way as to suggest that his goods are those of B. Lawful competition will not be restricted by the common law. FAO(OS)263/2017 Page 35 of 77 In a case such as the present where what is in issue is whether the goods of A are likely to be passed off as those of B, a plaintiff, to succeed, must establish

(1) that his goods have acquired a particular reputation among the public,

(2) that persons wishing to buy his goods are likely to be misled into buying the goods of the defendant and

(3) that he is likely to suffer damage thereby. (Emphasis supplied) 10.13 Having noted the above three leading English decisions, relating to passing off, it is not necessary to burden this judgement with any further overseas citations, as the law, in this country, has developed to a point where it may reasonably be said that no further ambiguity, regarding the legal position in this regard, exists. Toyota Jodosha Kabushiki Kaisha v. Prius Auto Industries Limited (2018) 2 SCC110.14 One of the most recent decisions on the subject of passing off is Toyota Jodosha Kabushiki Kaisha v. Prius Auto Industries Limited (2018) 2 SCC1 authored by Ranjan Gogoi, J.

It is not necessary to relate the facts of the said case, inasmuch as it dealt with a trans-national passing off action. However, the Supreme Court encapsulated the scope of the appeal before it as confined to the correctness of the views of the Division Bench of the High Court with regard to the use of the name Prius and specifically whether by use of the said name/mark to market the automobile spare parts manufactured by them, the defendants are guilty of passing-off their products as those of the plaintiff thereby injuring the reputation of the plaintiff in the market.. The trinity test, enunciated by the House of FAO(OS)263/2017 Page 36 of 77 Lords in Reckitt & Colman Products Ltd. (supra) was invoked, while reiterating the trite position, in law, that an action for passing off, which was premised on the rights of prior user generating a goodwill, would be unaffected by any registration provided under the Act. The following passage, from Kerlys Law of Trade Marks and Trade Names, earlier noticed in S. Syed Mohideen v. Sulochana Bai, (2016) 2 SCC683 was reiterated, as expositing, clearly, the principles laid down for judging an action for passing off in Indian law: 15-034. Subject to possibly one qualification, nothing in the Trade Marks Act, 1994 affects a trader's right against another in an action for passing-off. It is, therefore, no bar to an action for passing-off that the trade name, get up or any other of the badges identified with the claimant's business, which are alleged to have been copies or imitated by the defendant, might have been, but are not registered as, trade marks, even though the evidence is wholly addressed to what may be a mark capable of registration. Again, it is no defence to passing-off that the defendant's mark is registered. The Act offers advantages to those who register their trade marks, but imposes no penalty upon those who do not. It is equally no bar to an action for passing-off that the false representation relied upon is an imitation of a trade mark that is incapable of registration. A passing-off action can even lie against a registered proprietor of the mark sued upon. The fact that a claimant is using a mark registered by another party (or even the defendant) does not of itself prevent goodwill being generated by the use of the mark, or prevent such a claimant from relying on such goodwill in an action against the registered proprietor. Such unregistered marks are frequently referred to as common law trade marks. (Emphasis supplied) FAO(OS)263/2017 Page 37 of 77 10.15 Relying on the decision of the Supreme Court of the UK in Starbucks (HK) Ltd v. British Sky Broadcasting Group, (2015) 1 WL2628 the Supreme Court reiterated, in this judgement, the legal principle that mere reputation was not enough to constitute goodwill and that the claimant to goodwill had to show that such goodwill existed in the form of customers. Wander Ltd v. Antox India P. Ltd, 1990 (Supp) SCC72710.16 These proceedings emanated from a suit, filed by Antox India (P) Ltd. (hereinafter referred to as Antox), against Wander Ltd. (hereinafter referred to as Wander). Antox entered into an agreement, dated 20th March, 1986, with Wander, whereby Antox agreed to manufacture calcium gluconate tablets under the registered trade mark Cal-De-Ce and sell its entire production to Wander. A manufacturing license was, accordingly, issued by the Drug Controller to Antox. This agreement was, later, rescinded, by Wander, vide notice dated 30th November, 1988, which also called upon Antox to stop manufacture of the aforementioned calcium gluconate tablets under the trademark Cal-De-Ce. Simultaneously, Wander entered into a separate manufacturing agreement with M/s Alfred Berg & Co. (I) Ltd (who was the second appellant before the Supreme Court), under licenses issued, to the said manufacturer, by the authorities in the State of Madras. This provoked Antox to sue Wander as well as Alfred Berg & Co. (I) Ltd., and seek a temporary injunction in the interim. The case predicated by Antox was that the agreement, dated 28th March, 1986, between Wander and itself was void, as the object FAO(OS)263/2017 Page 38 of 77 thereof was forbidden by law. This agreement being, thus, out of the way, it was contended, by Antox, that the subsequent continued use of the trademark Cal-De-Ce, by it, amounted to any independent user, entitling it to maintain an action for passing off, against Wander. The issue with which the Supreme Court was concerned was, therefore, set out, by it, as whether there is a prima faciem case on which Antox

could be held entitled to restrain Wander Ltd. and Alfred Berg from manufacturing and marketing goods under the tradename Cal-De-Ce and whether on considerations of balance of convenience and comparative hardship a temporary injunction should issue. 10.17 The Supreme Court first analyzed the principles behind grant of interlocutory injunctions, in para 9 of the report, thus: Usually, the prayer for grant of an interlocutory injunction is at a stage when the existence of the legal right asserted by the plaintiff and its alleged violation are both contested and uncertain and remain uncertain till they are established at the trial on evidence. The court, at this stage, acts on certain well settled principles of administration of this form of interlocutory remedy which is both temporary and discretionary. The object of the interlocutory injunction, it is stated compensated in be …is to protect the plaintiff against injury by violation of his rights for which he could not adequately damages recoverable in the action if the uncertainty were resolved in his favour at the trial. The need for such protection must be weighed against the corresponding need of to be protected against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The court must weigh one need the defendant FAO(OS)263/2017 Page 39 of 77 against another and determine where the balance of convenience lies. The interlocutory remedy is intended to preserve in status quo, the rights of parties which may appear on a prima facie case. The court also, in restraining a defendant from exercising what he considers his legal right but what the plaintiff would like to be prevented, puts into the scales, as a relevant consideration whether the defendant has yet to commence his enterprise or whether he has already been doing so in which latter case considerations somewhat different from those that apply to a case where the defendant is yet to commence his enterprise, are attracted. (Emphasis supplied) It is important to note, therefore, that, while considering prayers for interlocutory injunctions in cases such as the present, the court is required not only to bear in mind the well settled requirements of existence of a prima facie case, juxtaposed against the considerations of balance of convenience and existence of irreparable loss which cannot be compensated in terms of money, but also whether the party, against whom injunction is being sought, has yet to commence his enterprise, or whether he has already been doing so. The Supreme Court clearly noted that, in the latter case, the considerations that would operate, in determining whether interlocutory injunction was, or was not, to be granted, would be somewhat different from those that apply to a case where the defendant is yet to commence his enterprise. Though the judgement does not elaborate on this difference, it is obvious that the distinction between the two cases is relatable to the serious consequences that would result to a running enterprise, which has been operating under a particular trade mark or name since long if it is, by an interlocutory injunction, restrained from FAO(OS)263/2017 Page 40 of 77 continuing to operate, under the said name or mark, midway. This aspect, we may note immediately, does not seem to have engaged the attention of the learned Single Judge in the present case, probably because Wander Ltd (supra) was never cited before him. 10.18 Proceeding on facts, the Supreme Court held, in Wander Ltd (supra), that Wander was indisputably the earlier user of the trademark, as it was manufacturing and marketing calcium gluconate tablets, under the trademark Cal-De-Ce at its own factory in Bombay from August 1983 till June 1986, which was prior to the use of the trademark by Antox. Having noted this fact, the Supreme Court proceeded, in para 15 of the report, to rule that, in a passing off action, the registration of the trademark, by one or the other party, would be relevant only in a negative way, and that positively, the plaintiff must establish a prior user of his own. The distinction between an action for infringement and an action for passing off was, in para 16 of the report, explained thus: An infringement action is available where there is violation of specific property right acquired under and recognised by the statute. In a passing-off action, however, the plaintiff's right is independent of such a statutory right to a trade mark and is against the conduct of the defendant which leads to or is intended or calculated to lead to deception. Passing-off is said to be a species of unfair trade competition or of actionable unfair trading by which one person, through deception, attempts to obtain an economic benefit of the reputation which another has established for himself in a particular trade or business. The action is regarded as an action for deceit. a misrepresentation made by a trader to his prospective customers calculated injure, as a reasonably passing-off involves to The tort of FAO(OS)263/2017 Page 41 of 77 forseeable consequence, the business or goodwill of another which actually or probably, causes damages to the business or good of the other trader. Speaking of the legal clarification of this form of action, Lord Diplock said: Unfair trading as a

wrong actionable at the suit of other traders who thereby suffer loss of business or goodwill may take a variety of forms, to some of which separate labels have become attached in English law. Conspiracy to injure a person in his trade or business is one, slander of goods another, but most protean is that which is generally and nowadays, perhaps misleadingly, described as passing-off. The form that unfair trading takes will alter with the ways in which trade is carried on and business reputation and goodwill acquired. Emerson's maker of the better mousetrap if secluded in his house built in the woods would today be unlikely to find a path beaten to his door in the absence of a costly advertising campaign to acquaint the public with the excellence of his wares. [See Erven Warnink v. J.

Townend & Sons (Hull) Ltd., 1979 AC731 7

(1979) 2 All ER927 931]. 10.19 The fact that the user of the Cal-De-Ce trademark, by Wander, was prior in point of time to its user by Antox was, it was hailed, sufficient to defeat Antoxs prayer for injunction. Para 19 of the report holds, in this regard, as under: Secondly, even if a prior registration of a trademark is not necessarily evidence of prior user as contended by Sri Rao, Antox cannot, prima facie, explain how in a passing-off action its user subsequent to June 1986 would prevail over the prima facie finding that Wander Ltd. was manufacturing Calcium Gluconate tablets under the trademark Cal-De-Ce at its own factory in Bombay from August 1983 to June 1986. The appellate bench does not dislodge this finding nor does it recognise FAO(OS)263/2017 Page 42 of 77 the crucial effect of prior use by the defendant on the plaintiff's case in a passing-off action. It appears to us that it was not an appropriate case where the appellate bench could have interfered with the discretion exercised by the learned Single Judge. (Emphasis supplied) 10.20 Three important propositions, inter alia, stand highlighted in this decision, viz. that (i) there can be no interlocutory injunction, in an action for passing off, against the prior user of a trademark, (ii) while considering the plaintiffs prayer for interlocutory injunction, the need to protect the plaintiff against the defendant passing off its goods, or services, as those of the plaintiff, by adopting the mark or name of the plaintiff, must be weighed against the corresponding need to protect the defendant against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated, and the balance of convenience properly assessed, and (iii) it is important to examine, while considering a prayer for grant of interlocutory injunction, whether the defendant, i.e. the party against whom such injunction is sought, had yet to commence his enterprise, or whether he had already done so. Uniply Industries Ltd v. Unicorn Plywood Pvt Ltd, (2001) 5 SCC9510.21 This appeal emanated from a suit, filed by M/s Uniply Industries Ltd (hereinafter referred to as Uniply) against M/s FAO(OS)263/2017 Page 43 of 77 Unicorn Plywood Pvt Ltd (hereinafter referred to as Unicorn). Uniply claimed to be the proprietor of the trademarks UNIPLY and UNIBOARD which, it was alleged, Unicorn had copied. A cross- suit was filed, by Unicorn, against Uniply, claiming prior user of the aforementioned marks, by Unicorn. Interim injunction, against usage of the aforementioned marks was sought, in both the suits, against the respective opposite parties. The High Court, in the order impugned before the Supreme Court, held that the respondent had succeeded in establishing prior user, by it, of the aforementioned marks and, consequently, granted interlocutory injunction in favour of the respondent and against the appellant, i.e. in favour of Unicorn and against Uniply. 10.22 While setting aside the judgement of the High Court, the Supreme Court, in paras 6 to 8 of the report, held thus: 6. Considering the nature of pleadings in the two suits filed by the parties, it is clear that there is common field of activity between the two parties in respect of goods and trade marks sought to be used by either are identical. Hence the decision in Cadila case [(2001) 5 SCC73: JT (2001) 4 SC243 and of similar context may not be of much use in this case. Inasmuch the areas of activity and the nature of goods dealt with or business carried on being identical, and the trade marks being of similar nature the only question that needs to be decided is as to who is the prior user. In deciding this question, the High Court relied upon: (1) advertisement made by the respondents, (2) invoices, and (3) letters of dealers.

7. It is no doubt true that advertisement of goods had been made by the respondents in 1993 itself. Whether that was followed up by goods being dealt with the trade FAO(OS)263/2017 Page 44 of 77 marks in question is not clear as is to be seen by the following discussion: investigated by the respondents have applied So far as

the invoices are concerned, it is not very clear from the same that they were in relation to goods containing the trade marks in question because there is no mention of any particular trade mark in the same and maybe they pertain to such goods, but this is a fact which is yet to be established by placing proper material before the Court. So far as the declarations made before the Excise Authorities are concerned, the High Court itself found the material to be dubious. The letters issued by the dealers are both in favour of the appellant and the respondents. In this state of materials the courts below should have been wary and cautious in granting an injunction which would affect the trade and business of another person using an identical trade mark. Both the appellant and for registration of their respective trade marks before the Registrar under the Trade and Merchandise Marks Act, 1958 and the respective rights of the parties will have to be the Registrar and appropriate registration granted to either of them or both of them, as the case may be, bearing in mind the provisions of Section 12(3) of the Trade and Merchandise Marks Act, 1958. There are many precedents to the effect that for inherently distinctive marks ownership is governed by the priority of use of such marks. The first user in the sale of goods or service is the owner and senior user. These marks are given legal protection against infringement immediately upon adoption and use in trade if two companies make use of the same trade mark and the gist of passing off in relation to goodwill and reputation to goods.

8. Some courts indicate that even prior small sales of goods with the mark are sufficient to establish priority, the test being to determine continuous prior user and the volume of sale or the degree of familiarity of the public with the mark. Bona fide test of marketing, promotional gifts and experimental sales in small volume may be FAO(OS)263/2017 Page 45 of 77 sufficient to establish a continuous prior use of the mark. But on some other occasions courts have classified small sales volume as so small and inconsequential for priority purposes. Therefore, these facts will have to be thrashed out at the trial and at the stage of grant of temporary injunction a strong prima facie case will have to be established. It has also to be borne in mind whether the appellant had also honestly and concurrently used the trade marks or there are other special circumstances arising in the matter. The courts below have merely looked at what the prima facie case is and tried to decide the matter without considering the various other aspects arising in the matter. Therefore, we think, the appropriate order to be made is that injunction either in the favour of the appellant or against them or vice versa is not appropriate and the proceedings in the suit shall be conducted as expeditiously as possible or the Registrar under the Trade and Merchandise Marks Act, 1958 may decide the matter which may govern the rights of the parties. (Emphasis supplied) Satyam Infoway Ltd v. Siffynet Solutions (P) Ltd 10.23 In Satyam Infoway Ltd v. Siffynet Solutions (P) Ltd, (2004) 6 SCC145 the principal question, that engaged the attention of the Supreme Court, was whether the legal norms, applicable to intellectual properties such as trade mark were applicable to domain names like www.sifynet.com, www.sifymall.com and www.sifyrealestate.com. The appellant Satyam Infoway Ltd. (hereinafter referred to as Satyam) claimed to have obtained registration of the said domain in June 1999, and that the respondent Siffynet Solutions (P) Limited (hereinafter referred to as Siffynet) was passing off its business and services using the appellants domain name. A temporary FAO(OS)263/2017 Page 46 of 77 interlocutory injunction was also sought against Siffynet. The City Civil Court allowed the application for interlocutory injunction on the ground that Satyam was the prior user of the trade name Sify and that the domain names of the respondent i.e. www.siffynet.net and www.siffynet.com were confusingly and deceptively similar to the domain names of Satyam. Siffynets appeal, against the said decision, was allowed by the High Court, resulting in Satyam moving the Supreme Court. 10.24 Paras 13 and 14 of the report deal with the indicia and ingredients of passing off actions and may be reproduced, to advantage, thus: 13. The next question is, would the principles of trade mark law and in particular those relating to passing off apply?. An action for passing off, as the phrase passing off itself suggests, is to restrain the defendant from passing off its goods or services to the public as that of the plaintiff's. It is an action not only to preserve the reputation of the plaintiff but also to safeguard the public. The defendant must have sold its goods or offered its services in a manner which has deceived or would be likely to deceive the public into thinking that the defendant's goods or services are the plaintiff's. The action is normally available to the owner of a distinctive trade mark and the person who, if the word or name is an invented one, invents and uses it. If two trade rivals claim to have individually invented the same mark, then the trader who is able to establish prior user will succeed. The question is, as has been aptly put, who gets

these first?. It is not essential for the plaintiff to prove long user to establish reputation in a passing-off action. It would depend upon the volume of sales and extent of advertisement. FAO(OS)263/2017 Page 47 of 77 14. The second element that must be established by a plaintiff in a passing-off action is misrepresentation by the defendant to the public. The word misrepresentation does not mean that the plaintiff has to prove any mala fide intention on the part of the defendant. Of course, if the misrepresentation is intentional, it might lead to an inference that the reputation of the plaintiff is such that it is worth the defendant's while to cash in on it. An innocent misrepresentation would be relevant only on the question of the ultimate relief which would be granted to the plaintiff What has to be established is the likelihood of confusion in the minds of the public (the word public being understood to mean actual or potential customers or users) that the goods or services offered by the defendant are the goods or the services of the plaintiff. In assessing the likelihood of such confusion the courts must allow for the imperfect recollection of a person of ordinary memory.

15. The third element of a passing-off action is loss or the likelihood of it. 10.25 The Supreme Court went on, in paras 26 and 31 of the report, to hold as under: 26. This brings us to the merits of the dispute between the parties. As we have already said, a passing-off action is based on the goodwill that a trader has in his name unlike an action for infringement of a trade mark where a trader's right is based on property in the name as such. Therefore, unless goodwill can be established by the appellant by showing that the public associates the name Sify with the services provided by the appellant, it cannot succeed. (Emphasis Supplied) Further, in para 31, it was held thus: 31. What is also important is that the respondent, admittedly, adopted the mark after the appellant. The appellant is the prior user and has the right to debar the FAO(OS)263/2017 Page 48 of 77 respondent from eating into the goodwill it may have built up in connection with the name. (Emphasis Supplied) Having thus set out the legal position, the Supreme Court, held, on facts, that Satyam had been able to establish goodwill and reputation, in connection with the trade name Sify meriting grant of ad interim injunction, as claimed by it. The resultant legal position 11. Passing off is, therefore, a specie of unfair trade competition, in which one person seeks to pass of his goods, or services, as those of another, by using the trademark, or name, of the letter, or a mark, or name, which is deceptively similar to that of the latter. It is an act calculated to lead to deception, aimed at obtaining an economic benefit, by capitalising on the reputation and goodwill amassed by the other person over a period of time. It is regarded as an action for deceit. In order to succeed in a passing off action, the plaintiff has necessarily to establish, apart from prior user of the trademark or name in question, the trinity of misrepresentation (deliberate or otherwise), goodwill and damage. Relief, in a passing off action, is always against the later user of the mark, or name, and never against the prior user thereof.

12. Establishment of the existence of goodwill, as an ingredient to sustain an action for passing off, necessarily requires the plaintiff to demonstrate that the trade name, or mark has become so closely FAO(OS)263/2017 Page 49 of 77 associated with his goods, or services, as to acquire a secondary meaning, specifically relatable to the goods or services of which he, and he alone, is the source. Goodwill has to be established by proving that the public associates the name, or mark, with the goods or services provided by the person bringing the action of passing off. Reputation is different, and distinct, from goodwill. Goodwill would have to be established by referring to an existing customer base, sales and advertisement. The length of user is not strictly relevant, where the question of goodwill is involved.

13. In cases where the area of activity of the plaintiff and the defendant is the same, and the mark or name adopted by them similar, the only question required to be examined, in order to assess whether a case of passing off is, or is not, made out, is that of prior user.

14. While examining whether, in a case of alleged passing off, an interlocutory injunction requires to be granted, the court is required to bear in mind the competing considerations of protection, i.e. the need to protect the plaintiff against the defendant passing off its goods, or services, as those of the plaintiff, by adopting the mark or name of the plaintiff, and the opposing need to protect the defendant against injury resulting from his having been prevented from exercising his own legal rights for which he could not be adequately compensated. The balance of convenience has to be assessed by weighing these two factors, one

against the other. Also, the court is required to be mindful of the fact that the considerations that would prevail would be different, wherein injunction is sought against a running entity, which FAO(OS)263/2017 Page 50 of 77 has already commenced its business, as against a case in which injunction is sought against an entity which is yet to start functioning. Our Analysis 15. While examining the facts of the present case, in the light of the law as emanates from the judgements cited hereinabove, we have remained conscious of the fact that the order of the learned Single Judge is essentially discretionary in nature, and that our jurisdiction, to interfere with such discretionary orders, is severely corseted. Even so, we are unable to concur, with respect, with the decision, of the learned Single judge to altogether injunct appellant, at this interim stage, from providing services under the name/mark TP Turning Point. We have been persuaded, in this regard, in no little measure, by the fact that the appellant has been functioning, since 1998, i.e., for over two decades, under the said name and mark, and that the learned Single Judge has himself acknowledged, in para 69 of the impugned judgement, that the appellant has, over the years, acquired considerable reputation and goodwill thereby. We have kept in mind the cautionary caveat, entered by the Supreme Court in its decision in Wander Ltd. (supra), to the effect that cases where the defendant has yet to commence his enterprise have to be viewed differently from cases where the defendants enterprise is ongoing.

16. We do not propose, in this judgment, to enter into the issue of similarity, or otherwise, or of the name and mark TP TURNING POINT, whereunder the appellant and respondent carry out their respective activities, as we are convinced that the respondent could not FAO(OS)263/2017 Page 51 of 77 be said to have provided adequate evidence as would justify even a prima facie conclusion of prior user, by it, of the name/mark TP Turning Point or the acquisition of goodwill, by it, thereby.

17. We are, here, concerned with the correctness of the impugned judgement of the learned Single Judge and do not, therefore, intend to embark on a de novo appreciation of evidence, limiting ourselves to considering whether, on the reasoning contained in the impugned judgement, the decision to enjoin the appellant from using the name/mark TP TURNING POINT was justified.

18. Before doing so, however, we deem it appropriate to note that, at a first glance, it becomes apparent that the respondent has not produced any documentary evidence of (i) attendance, by the teachers who were supposed to have conducted classes at the respondents institute, (ii) proof of payments having been made to the teachers, for conducting such classes, (iii) attendance, by the students who, purportedly, attended the said classes or (iv) payment of fees, by even one such student, during the period 1994 to 1998. It is impossible to believe that, if the respondent had, in fact, been providing coaching/tutorial services, during this period, none of these documents would be available with it. The best, and most obvious, evidence, of the appellants institute having been discharging educational services from 1994 to 1998, therefore, being absent, we are constrained to accept, even for consideration, the other evidence, produced and cited by the respondent in its support, with some degree of trepidation. FAO(OS)263/2017 Page 52 of 77 19. We advert, now, to the documents/evidence cited by the respondent in his favour, as establishing user, by it, of the mark TP Turning Point, from 1994-1998, and acquisition of goodwill consequent on such user, thus: (i) Para 55 of the impugned judgement indicates that, after having noticed the other evidence produced, and relied upon, by the respondent in support of its staff, the learned Single Judge chose to base his ultimate decision on two documents, i.e. (a) a delivery voucher, dated 3rd September, 1996, issued by M/s KWIC Gas Service (hereinafter referred to as the gas agency), and (b) a flyer, purportedly circulated by the respondent, inviting students to join the classes held by it, and highlighting its success. (ii) We are of the view that the delivery voucher of the gas agency, dated 3rd September, 1996, was, on the face of it, unworthy of credence, for three reasons. Firstly, a comparison, of the said voucher, with another voucher, issued by the same gas company, dated 4th June, 2015, to the respondent, indicates that the gas connection of the respondent was commercial in nature, with the cylinder supplied to the respondent weighing 16 kg. The weight of the cylinder, shown on the gas receipt dated 3rd September, 1996 was, however, 14.2 kg, which corresponded to a domestic gas connection. Inasmuch as the cylinders supplied to domestic and commercial consumers were FAO(OS)263/2017 Page 53 of 77 different in weight, it was impossible to believe that the gas company would

supply a 14.2 kg gas cylinder to a customer with a commercial gas connection. Secondly, the name of the customer was entered, in hand, on the said voucher dated 3rd September, 1996, as M/s Turning Point Inst whereas, as per para 1 of the plaint in CS (OS) 2368/2015, the name Turning Point Institute Private limited was adopted, by the respondent, only on 21st March, 2001, prior to which it was only known as TP Turning Point. Thirdly, unlike in the case of the later voucher dated 4th June, 2015, all entries, in the voucher dated 3rd September, 1996, were made in hand, thereby rendering it impossible to ascertain the credibility and reliability thereof. We may note, here, that Mr. Khan appearing for the appellant, also produced, before us, an article published by the Press Information Bureau titled LPG Price and Subsidy, which indicated the price of a cylinder, for a domestic connection, in 1996, to be 120.15, whereas the price reflected on the voucher dated 3rd September, 1996 was 314.45. For this reason, too, Mr. Khan would contain that the voucher could not be relied upon. To the submission of Mr. Khan, Mr. Singh appearing for the respondent, would respond that his client was charged for the cylinder at the rate applicable for commercial connections, and that the figure of 14.2 kg, in the voucher, was pre-printed. We do not, however, propose to take stock of this article, as it has been produced for the first time before us. (iii) De hors and apart from all these infirmities, which impact, substantially, the reliability of the voucher dated 3rd FAO(OS)263/2017 Page 54 of 77 September, 1996, we are unable to appreciate how the said voucher, even if it were to be deemed to have been issued by the gas agency to the respondent on the said date, could establish, even prima facie, that the respondent was rendering coaching/tutorial services during the period 1994 to 1998, or that it had earned any goodwill thereby. (iv) Neither are we able to concur with the reference, by the learned Single Judge, on the flyer produced by the respondent in its support. It is asserted, by Mr. Khan, appearing for the appellant, that such flyers could be printed by anyone. He points out that there was no indication as to the date or time when the flyer was printed, as no invoice, of the printer who printed the flyer, was produced in evidence by the respondent. He also emphasises that there was no evidence to show that the said flyer was circulated amongst prospective customers either. Neither, Mr Khan would point out, did the flyer contain any phone number, at which the prospective student could contact the respondent, were she, or he, to desire enrolment with it. As such, Mr. Khan would contend, the flyer could not be cited as evidence to indicate that the respondents Institute was providing educational services in 1995, and the finding, the learned Single Judge, to that effect, was unsustainable on facts. (v) We find considerable force in these submissions of Mr. Khan. A flyer, such as that relied upon by the respondent, could be printed at any time and, in the absence of any corroborative evidence, indicating the printing of such a flyer, by the printer at FAO(OS)263/2017 Page 55 of 77 the instance of the respondent, or regarding the circulation of the flyer during the said period, we find it difficult to accept the flyer as evidence of coaching services having been provided, by the respondent, during the years 1994 to 1998, far less of any goodwill having been earned by the respondent by providing such services. (vi) We are unable, therefore, to concur with the learned Single Judge that the gas delivery voucher, dated 3rd September, 1996, issued by the gas agency, and the flyer, produced by the respondent and purported to have been issued, by it, were reliable evidence, on the basis where of the appellant could have been injuncted from providing its services under the name and mark TP TURNING POINT. (vii) The affidavits, produced, and relied upon, by the respondent in support of its case, may be categorised as (a) the affidavits of students, who claimed to have attended classes at the respondents Institute, (b) the affidavits of Ram Prakash Gupta and Ashu Sharma, who claimed to have been teachers in the respondents Institute, (c) the affidavit of Rajender Chauhan, painter and (d) the affidavit of Aakash Yadav, caretaker. (viii) The affidavits of students, next cited by the respondent in its support, were identically worded. For ready reference, we reproduce, hereinbelow, the affidavits of Kuldeep Kumar, Kartik Gulati and Gagan Chawla, as under: FAO(OS)263/2017 Page 56 of 77 AFFIDAVIT institute), I, Kuldeep Kumar, S/o.Sushil Kumar Sharma, aged about 35years, R/o :Flat 241/C, BG6; Paschim Vihar, New Delhi, 110063 do hereby solemnly affirm and state as under:

1. That the deponent has been a student at TURNING POINT INSTITUTE PVT. LTD. (previously known as TURNING POINT; an educational institution during Apr 1996 May 1997 and therefore, can depose regarding the Plaintiff institution from his personal knowledge.

2. institution has been imparting educational services under the name and style TP TURNING POINT regarding the preparation of Engineering/Pre-medical entrance examination along with preparatory program for class XI,XII Boards, (Science stream only) &Foundation classes for IX and X since 1994. the plaintiff That the plaintiff 3. That I was part of the Apr 1996-May 1997 Batch and took classes for Physics from Mr. Tej Naraian Chowdhary.

4. That the Plaintiff institution has been critical in my securing excellent marks during my 12th Standard CBSE Board Examinations during 1997.My mark-sheet dated for the 12thstandard CBSE board examinations is annexed herewith as Annexure A.

5. That the plaintiff institution has helped me in preparing for engineering entrance examination and getting placement in Delhi College of Engineering. FAO(OS)263/2017 Page 57 of 77 6. That the contents of the present affidavit are true and correct on the basis of my personal knowledge.-.Sd- DEPONENT VERIFICATION: Verified on 16th July, 2015 at New Delhi that the contents of the above paragraphs 1 to 6 are true and correct. No part of it is false and nothing material has been concealed therefrom.-.Sd- DEPONENT AFFIDAVIT I, Kartik Gulati, S/o. Narinder Gulati, aged about 36 years, R/o A-16 LIC COLONY, 1st Floor, Paschim Vihar, New Delhi, 110087 do hereby solemnly affirm and state as under: institute), therefore, 1. That the deponent has been a student at TURNING POINT INSTITUTE PVT. LTD. (previously known as TURNING POINT; an educational the institution during Apr 1994 plaintiff Mar1996 and can depose regarding the Plaintiff institution from his personal knowledge.

2. That the plaintiff institution has been imparting educational services under the name and style TP TURNING POINT regarding of entrance Engineering/Pre-medical examination preparatory program for class XI,XII Boards, (Science along with the preparation FAO(OS)263/2017 Page 58 of 77 stream only) & Foundation classes for IX and X since 1994.

3. That I was part of the Apr 1994- Feb 95 Batch and took classes for Physics from Mr. Tej Naraian Chowdhary at the address GH-14/386, Paschim Vihar, New Delhi- 110087.

4. That the Plaintiff institution shifted to Shop No.:

4. 3rd Floor, Ram House, Jwala Heri Market, Paschim Vihar, New Delhi 110063 in April 1995. There I took classes for Physics from May 1995-Mar 1996.

5. That the Plaintiff institution has been critical in my securing excellent marks during my 12th Standard CBSE Board Examinations during 1996.My mark-sheet dated for the 12th standard CBSE board examinations is annexed herewith as Annexure A. That the plaintiff 6. institution has helped me get a good aggregate in PCM in Class 12th and thus securing an engineering seat. That the contents of 7. the present affidavit are true and correct on the basis of my personal knowledge.-.Sd- DEPONENT VERIFICATION: Verified on 16th July, 2015 at New Delhi that the contents of the above paragraphs 1 to 6 are true and correct. No part of it is false and nothing material has been concealed therefrom. FAO(OS)263/2017 Page 59 of 77 -Sd- DEPONENT AFFIDAVIT institute), I, GAGAN CHAWLA, S/o. MUNSHI RAM CHAWLA, aged about 35years, R/o:G-82, PUSHAKAR ENCLAVE, Paschim Vihar, New Delhi, 110063 do hereby solemnly affirm and state as under:

1. That the deponent has been a student at TURNING POINT INSTITUTE PVT. (previously known as TURNING LTD. POINT; an educational the plaintiff institution during 1995 1996 and therefore, can depose regarding the Plaintiff institution from his personal knowledge.

2. That the plaintiff institution has been imparting educational services under the name and style TP TURNING POINT regarding of entrance Engineering/Pre-medical examination preparatory program for class XI,XII Boards, (Science stream only) & Foundation classes for IX and X since 1994. along with the preparation 3. That I was part of the 1995-1996 Batch and took classes for PHYSICS from Mr. Tej Naraian Chowdhary.

4. That the Plaintiff institution has been critical in my securing excellent marks during my 12th Standard CBSE

Board Examinations during 1996.My mark-sheet dated for the 12th standard CBSE board FAO(OS)263/2017 Page 60 of 77 examinations Annexure A. is annexed herewith as That 5. helped me in PHYSICS OF12h Class. the plaintiff institution has That the contents of 6. the present affidavit are true and correct on the basis of my personal knowledge.-.Sd- DEPONENT VERIFICATION: Verified on 16th July, 2015 at New Delhi that the contents of the above paragraphs 1 to 6 are true and correct. No part of it is false and nothing material has been concealed therefrom.-.Sd- DEPONENT Mr. Khan relies, in the above context, on the following passage, from the judgement of the Court of Appeal in In the Matter of Broadheads Application for Registration of a Trade Mark, Reports of Patents, Design and Trademark Cases, Vol.67, Issue No 10, pp 209-218: in However, this particular case the immense time taken to produce the evidence that eventually this result. In accordance with the procedure which is favoured by those concerned in this branch of the law, the evidence appears in a number of written statutory declarations. When I look at the declarations which were eventually subscribed by the declarations, to take first those put in on behalf of the Opponents, I noticed that the words used were quite plainly invented by FAO(OS)263/2017 Page 61 of 77 to in some person who was concerned the preparation of the case, for I find, notwithstanding the delay (which might have been attributed to the desire of particular witnesses express themselves as they thought fit), that every player in the orchestra plays in unison. Not only that, but I find that the points which are now the vital points in the case remain shrouded in ambiguity or, indeed, are passed over altogether sub silentio. What is said of the Opponents declarants can also be said with substantially equal justice of declarations on the other side. If you read one paragraph on each side and multiplied by the No.of declarants on each side, you have got the totality of the evidence. (Emphasis supplied) We find the reliance, by Mr. Khan, on the said decision, well- taken, and are of the considered opinion that, in the absence of any other corroborative evidence, indicating attendance, by these students, of the classes purportedly held by the respondent, such affidavits, by themselves cannot justify issuance of an interlocutory injunction, restraining the appellant from providing services under the name and mark TP TURNING POINT, being used by the appellant, and using which considerable goodwill, even as per the impugned judgement of the learned Single Judge, has been earned by it. We may also note, in this regard, that some of the students, namely Raja Arora and Nitin Gupta, even as per the affidavits, were not students of the respondents Institute between 1994 and 1998. The affidavits of such students, to the extent they seek to depose that the respondents Institute was functioning, and providing coaching services, during the years 1994 to 1998, FAO(OS)263/2017 Page 62 of 77 are, at best, hearsay, and could not be used to justify the impugned order of injunction. Needless to say, they could not be relied upon as establishing goodwill, of the respondent, during the period 1994 to 1998. Barring these affidavits, there was no evidence to indicate that any students attended the classes purportedly held by the respondent during these years. (ix) For the same reason, we are unable to regard the affidavits of Mr. Ram Prakash Gupta and Ms. Ashu Sharma, who claimed to have been teachers at the respondents Institute during the period 1994 to 1997, as credible evidence of the respondents Institute functioning, at the Jwala Heri premises, during the said period. Barring these two affidavits, no other evidence, of any other teacher has been cited. Again, barring these affidavits, there is no evidence of any attendance having been marked either of Mr. Ram Prakash Gupta and Ms. Ashu Sharma, or of any payment having been made to them for the services purportedly provided by them. Significantly, we find that, in the affidavits of Dr. Sudhir Kumar and Mr. Rajneesh Chaudhary there is a specific reference to their having been taught by one, or the other, of these two teachers, whereas the affidavits of the other students do not make any reference to the names of the teachers who taught them. The manner in which these affidavits are structured, especially on this aspect, give rise to a legitimate doubt that the names of Ram Prakash Gupta and Ashu Sharma finds place, in the affidavits of the students, only to support the affidavits provided by Ram Prakash Gupta and Ashu Sharma themselves. In the absence of any other FAO(OS)263/2017 Page 63 of 77 corroborative evidence, we are unable to accept these affidavits, of Mr. Ram Prakash Gupta and Ms. Ashu Sharma, as justifying grant of injunction restraining the appellant from providing its services under the name and mark which it has been using even as per the impugned judgment, at least since 1999. (x) The respondent also relied on the affidavit of Mr. Rajender Chauhan, who claimed to be a painter, who deposed to having painted the sign-board of TURING POINT, showing its address at the Pashchim Vihar Premises and, thereafter, and the Jwala Heri premises. This affidavit is of no use, insofar as the respondents prayer for ad

interim injunction is concerned, as is does not indicate that the respondent was providing educational services during the period of 1994-1998, or that it had derived any goodwill thereby. (xi) The respondent also filed an affidavit of Aakash Yadav, purportedly the caretaker of the Jwala Heri premises. The learned Single Judge having himself rejected the said affidavit as unreliable, in para 14 of the impugned judgment, we are not required to return any finding thereon. (xii) To similar effect are the rent receipts, relied upon by the respondent, for the period of 1995-2001. The learned Single Judge has himself found that, while one set of rent receipts, governing the period May, 1995 to March 2001, describes the Jwala Heri premises as being the property of Shri Ram Yadava, a second set of rent receipts, covering part of the same FAO(OS)263/2017 Page 64 of 77 period, i.e. from February, 1997 onwards, describes the same premises as the property of Renuka Singh. This fact has persuaded the learned Single Judge himself to observe, in para 53 of the impugned judgment that the said rent receipts could not be relied upon and had to be ignored. On this issue Mr. Singh has sought to point out that the rent receipts which were discarded by the learned Single Judge were only those in which the name of the tenant shown as Tej Narayan Chaudhary, (Turning Point), (tenant) . We are of the view that this is a distinction without a difference. The rent receipts, in which the tenant was shown as Tej Narayan Chaudhary, (Turning Point), (tenant) were only part of a set of rent receipts. Being part of a homogeneous whole, they could not be friend in isolation. In view of the fact that the respondent had produced two sets of rent receipts, at least from February, 1997 onwards, showing the same property as belonging to different persons, we are of the considered opinion that the reliance on rent receipts, by the respondent, has to be entirely discarded. In fact, we are prima facie, of the opinion that a litigant, who produces such discrepant evidence which, on the face of it, appears to lack credibility would, ipso facto, stand disentitled to grant of any interlocutory injunction in its favour. (xiii) We are also unable to accept the telephone bills issued in the names of Suresh Kumar Yadav and Lt. Col. Maninder Singh Marwah, as of any use, whatsoever, in furtherance the case of the respondent. The opinion, of the learned Single Judge FAO(OS)263/2017 Page 65 of 77 [extracted in para 7.1 (f) supra]. to the effect that it was not uncommon for tenants to use landline number installed in the names of their landlords, in our view, is too presumptive to pass muster. No evidence of usage, by the respondent, of these numbers, it may be noted, is forthcoming on record.

20. We may, in the above context, note the judgment of the Supreme Court in Mujeeb Modern Rice Mills v. P. Doraisamy Gounder (2010) 15 SCC459 in no uncertain terms disapproves the grant of ad-interim injunction, in cases regarding utilization of trade mark on the basis of affidavits alone. Though, in the present case, facially, the respondent may have produced some documents other than the affidavits on which it placed reliance, we have already noted that these documents, too, do not advance its case to any appreciable extent.

21. Though the learned Single Judge did not advert thereto, it was pointed out, by Mr. Khan, that the respondent had relied on several other documents, which merely resulted in embellishing of the record, making it bulky, and did not advance the case of the respondent to any appreciable extent. Among these, Mr. Khan would point out, was a bill of a Chartered Accountant, an invoice issued by the car mechanic, a bill of a petrol filling station, a party advertisement Campus Sizzlers, a matrimonial advertisement, an invoice by M/s Bhatia Opticals, and advertisement of Ayur Beauty Academy, publicity material from Hans Raj Model School, Bosco Public School, N. C. Jindal Public School and Vishal Bharathi Public School, and other FAO(OS)263/2017 Page 66 of 77 such documents which neither went to show prior user, by the respondent, of the trademark TP TURNING POINT, for providing tutorial or coaching services, prior to 1998, or the accumulation of goodwill thereby.

22. Prior user and goodwill are two of the indispensable ingredients, requiring to be positively established by the party seeking injunction, in a passing off action. The necessity of positive material, evidencing the existence of these ingredients, is underscored in a case in which the injunction is sought against a party who is running an ongoing enterprise, using the disputed mark or name. In order to be entitled to an injunction against the appellant and in its favour, it would be necessary for the respondent to establish, not merely that it existed at the Jwala Heri premises since 1994, but that (i) it was functioning as a coaching/training institute,

under the name TP TURNING POINT, since 1994 and (ii) it had acquired reputation and goodwill thereby. It is the attempt, of the appellant, to capitalize on such goodwill, by misrepresenting the services provided by it as having been provided by the respondent, by employing the respondents mark or name, or adopting a mark or name deceptively similar thereto, that alone the respondent could seek to injunct. We are constrained to observe that the evidence relied upon, by the respondent, is insufficient, in our view, to sustain the prayer for issuance of interlocutory injunction against the appellant. It is apparent, from the perusal of the evidence relied upon by the respondent, in its favour, before the learned Single Judge, that there is precious little to indicate that the respondent was providing services, FAO(OS)263/2017 Page 67 of 77 as a teaching institute, during the period 1994 to 1998, far less that it had, thereby, acquired reputation or goodwill. We are unable to sustain the finding, of the learned Single Judge, that, on the said evidence, a prima facie case, of the respondent having been the prior user of the disputed trademark TP TURNING POINT since 1994, or of having accumulated goodwill as a result of such user, could be said to exist. Viewed in conjunction with the fact that the appellant had, even as per the impugned judgement of the learned Single Judge, been providing coaching/tutorial services, using the said name/mark, since 1999 and had acquired considerable reputation and goodwill as a result (though the learned Single Judge attributes such acquisition to dishonest user of the respondents mark), we are unable to convince ourselves that, on the evidence led, and produced, by it, the respondent had made out a case for issuance of interlocutory injunction against the appellant, as has been granted by the impugned judgement. We may reiterate that, in a case such as the present, we are also required to bear in mind the deleterious consequence, to the appellants business activities, of grant of such an injunction at this stage, after the appellant has been functioning for a decade and a half, while examining the considerations of balance of convenience and irreparable loss, two indispensable indicia cumulatively requiring fulfillment before any injunctive order can be passed.

23. Mr. Khan further advanced the following submissions, in support of his client, opposing the allegation, of the respondent, that his client had sought to pass off the services, provided by it, as having been provided by the respondent: FAO(OS)263/2017 Page 68 of 77 (i) The appellant had obtained registration, of its trademark TP TURNING POINT, on 15th November, 2015 w.e.f. 9th December, 2004. He also drew our attention to a Computer Generated TM-Search Report, generated during a search of 25th September, 2015 on the website of the Controller General of Patents, Design and Trade Marks, for the mark/name Turning Point, which clearly brought up the appellants label TP TURNING POINT. He pointed out that, in the appellants application, for registration of the TP TURNING POINT mark/name, on 9th December, 2004, it had declared that it was a user of the said mark/name since 7th July, 1998. (ii) Mr. Khan further relied upon the Certificate of Registration, issue to his client by the Service Tax authorities, registering the appellant, under Section 69 of the Finance Act, 1994 for payment of service tax, on 22nd July, 2003. (iii) Our attention was also invited to the details of the Current Accounts, maintained by the appellant with the Canara Bank and the ICICI Bank, which were on record before the learned Single Judge. Mr. Khan submitted that the fees paid by the students were also deposited in the said account in the Canara Bank. (iv) Mr. Khan sought to contrast the flyer, relied upon by the respondent and purportedly issued by it, with the flyer issued FAO(OS)263/2017 Page 69 of 77 and circulated by his client, which was at page 55 of Volume II of the documents before the learned Single Judge. It was sought to be pointed out, to us, that the appellants flyer clearly stated that classes would start from 25th March, 2001, and also provided details of the results of the students who had attended classes in the 1999-2000 batch conducted by the appellant. He contrasted the flyer of his client with that of the respondent, pointing out that the address shown on the flyer issued by the respondent was shifting, and that the respondent had not even disclosed its phone number on the flyer. (v) Our attention was also invited, by Mr. Khan, to the advertisements, issued by his client in various newspapers, starting 1st April, 2002, and released, continuously, thereafter. As against this, Mr. Khan would point out that the 1st advertisement, exhibited by the respondent, regarding its services, was of 2005. We were also referred to an advertisement, in the Hindustan Times, released by the appellant, congratulating students, who had been availing its services and had secured high grades in the examinations. (vi) We were also referred to various proceedings, relating to oppositions, by the appellant, of perceived infringement, of the TP TURNING POINT of the appellant, by various parties, including oppositions to: (a) registration of the trademark Turning Point by M/s Turning Point

Institute of Media and Creative FAO(OS)263/2017 Page 70 of 77 Studies, Kolkata (which claimed user since 21st December, 2011), filed before the Registrar of Trade Marks, Kolkata, (b) registration of the trademark Ultima by Turning Point, by M/s Trinity Vintners private Limited, Mumbai (which claimed user since 15 April, 2003) and (c) registration of the trademark TURNING POINT, by M/s Turning Point Studies Consultants Private limited, Karnal (which was registered on 18th September, 2009 but was claiming user since 15th April, 1993), which was disposed of, on 24 January, 2017, as M/s Turning Point Studies Consultants Private limited, Karnal was found to have abandoned the trademark, and (d) the proposed registration of the trademark Turning Point, by M/s Trinity Vintners Private Limited, Mumbai. It was sought to be contended, therefore, that the appellant had vigilantly protected its mark/name, and had opposed every attempt to infringe the same, by appropriate proceedings before the Registrar of Trade Marks. As against this, Mr. Khan would point out that no opposition was laid, by the respondent, against the application, of the appellant, for registration, in its favour, of the TP TURNING POINT mark/name. Neither, Mr. Khan would point out, did the respondent oppose the user, or registration, of the TURNING POINT mark/name by any other user or registrant, as the appellant had done. FAO(OS)263/2017 Page 71 of 77 (vii) It was further brought to our notice that the appellant had had its domain name, theturningpoint.in, registered on 29th May, 2010, and the name theturningpointonline.com, registered on 22nd January, 2011, the relevant documents relating to which formed part of the record before the learned Single Judge. As against this, it was pointed out that the respondent applied for registration of its website only on 24th March, 2013. Mr. Khan submits that, at the time of attempting to obtain such registration, the respondent would certainly have come to know of the registration is granted to the appellant. (viii) Inviting our attention to the recording, by the learned Single Judge, in para 27 of the impugned judgement, of the submission, advanced by the appellant, to the effect that its turnover has increased, from 2,90,000/- in 1999-2000 to 1,53,23,748/- in 2014-2015, Mr. Khan submits that the bank statements of the appellant stood proved in the earlier decision, of this Court, in Keshav Kumar Agrawal (supra), which recognised the Turning Point Mark, used by the appellant, as a well-known trademark under Section 2(z)(g) of the Act. Mr. Khan also drew attention to the sales figures of his client, which were noticed in para 3 of the said decision. (ix) Apropos Keshav Kumar Agrawal (supra) Mr. Khan pointed out that, consequent to grant of injunction against NIIT, in the said litigation, the matter was widely reported, in support whereof he refers to reports in the 26th March, 2013 editions of FAO(OS)263/2017 Page 72 of 77 the Financial Express, Indian Express and newsletter of the Press Trust of India. Mr. Khan pointed out that the matter was carried, by NIIT, in appeal by way of FAO (OS) 175/2013 wherein, on 22nd April, 2013, a Division Bench of this Court recorded that the suit between the appellant and NIIT stood compromised, as NIIT made a statement that it did not desire to contest the suit and was willing to suffer a decree against it, subject to the condition that the decree would operate, any promotional activity on or after 1st January, 2013 and qua phasing out of advertising material on or after 1st April, 2014. NIIT also undertook to withdraw the trademark application already filed before the Registrar of Trademarks for the Mark NIIT THE TURNING POINT. As against this, Mr. Khan would point out that the respondent did nothing to protect its mark/name, against NIIT. It was admitted, by Mr. Khan, that the learned Single Judge did not correctly appreciate the importance of the decision in Keshav Kumar Agrawal (supra), merely on the ground that the respondent was not a party in the said case, and that the claim of the respondent being the prior user of the mark in question did not, therefore, fall for consideration by this Court therein. These aspects, too, have not been examined by the learned Single Judge, while passing the impugned judgement. We are of the view that they do indicate, prima facie, considerable reputation and goodwill having been acquired, by the appellant, by the services rendered by it under the brand/name TP TURNING POINT. They also indicate, FAO(OS)263/2017 Page 73 of 77 prima facie, vide publicity having been given, to the appellants name/mark, as well as to the litigation between the appellant and NIIT, as well as the interlocutory orders passed therein, which may be relevant while examining the claim, of the appellant, regarding the plaint, of the respondent, being barred as the respondent having in any case, acquiesced in the user of the trade name by the appellant. While observing that these aspects, too, deserve consideration, we refrain from returning any findings thereon, at this stage.

24. We are at an interlocutory stage in the suit proceedings between the parties, and are mindful of the fact that observations, far less findings, in excess of those strictly required to decide the prayer for interim

injunction made by the respondent, would be undesirable and unwarranted. Having, therefore, held that the evidence adduced by the respondent, in its support, was insufficient to make out a prima facie case of prior user, by it, of the TP TURNING POINT mark, vis-- vis the appellant, or of acquisition of goodwill consequent on such user, we do not propose to examine, or return any finding, on any of the other aspects argued before us. While balancing the rival interests of affording protection to appellant and respondent alike, as required by the pronouncement of the Supreme Court in Wander (supra), we are convinced that the respondent has, on the evidence led by it before the learned Single Judge, not been able to make out a case for injuncting the appellant, at the interlocutory stage, from operating under the said mark. FAO(OS)263/2017 Page 74 of 77 25. We may also note that, during the course of hearing, it was contended, by Mr. Khan not disputed by Mr. Singh that the appellant and respondent operated in different geographical areas in the NCT of Delhi, thereby minimizing any chance of confusion, in the mind of students, regarding the Institute that they were attending.

26. Before parting with this judgement, we deem it appropriate to note that we had, prior to commencement of substantive arguments in the appeal, attempted to effect a mediatory reconciliation, between the parties, by referring them to two of the senior most mediators in the High Court mediation Centre, but that it did not succeed. Frankly, we are unhappy about this. The present dispute, in our opinion, is one which is admirably amenable to negotiated resolution by mediation. It appears clear, from the facts, that, over the years, appellant and respondent, alike, have acquired reputation and goodwill, in the sphere of imparting training for appearance and competitive examinations. If either of them would have been willing to effect any minor change in the mark/name being used, the dispute might probably have come to an end. Even otherwise, Delhi is a large city, expanding day by day, and the appellant and respondent could, in our view, have arrived at an agreement to operate within distinct territories, so that the possibility of any student being confused, or of either eating into the goodwill of the other, would not arise as students would normally choose an institution nearest to their place of residence. We even mooted the possibility of a collaborative agreement between the appellant and respondent, so that they could, hand-in-hand, render services to students seeking to appear in competitive examinations, but FAO(OS)263/2017 Page 75 of 77 this suggestion, too, apparently, did not appeal to the parties. We reiterate our dismay in this regard. Disputes such as the present should, in our view, not be engaging the attention of courts at all, consuming valuable judicial time, for years at an end. By the time this litigation draws to a close, and irrespective of the final outcome thereof, we sincerely wonder who, between the appellant and respondent, would be the victor, and who the vanquished.

27. With the fond hope that appellant and respondent may, even now, find their way to an amicable resolution of the controversy, we, in fulfilment of the task thrust on us, allow the present appeals, in the following terms: (i) IA162322015 in CS (OS) 2368/2015 filed by the respondent before the learned Single Judge is dismissed. Consequently, the impugned judgment dated 11th August, 2017, of the learned Single Judge, insofar as it allows the said IA162322015 is quashed and set aside. (ii) Both parties shall maintain accounts during the pendency of the suits which shall be filed in court every six months.

28. Needless to say, all observations in this judgment are prima facie and interlocutory in nature, and are not to be treated as a final expression of opinion, on the merits of the controversy between the parties. FAO(OS)263/2017 Page 76 of 77 29. There shall be no order as to costs. AUGUST2 2018 gayatri C.HARI SHANKAR, J ACTING CHIEF JUSTICE FAO(OS)263/2017 Page 77 of 77