Upgrad Education Private Limited vs Intellipaat Software Solutions ... on 4 April, 2022

Author: Prathiba M. Singh

Bench: Prathiba M. Singh

Signature Not Verified Digitally Signed By:DEVANSHU JOSHI Signing Date:06.04.2022 06:02:31

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 IN THE HIGH COURT OF DELHI AT NEW DELHI
                    CS (COMM) 132/2022
UPGRAD EDUCATION PRIVATE LIMITED
                                               ..... Plaintiff
             Through: Mr. Jayant Mehta, Sr. Advocate with
                      Mr. Mohit Goel, Mr. Sidhant Goel,
                      Ms. Manasi Chatpalliwar, Mr.
                      Abhishek Kotnala, Mr. Deepankar
                      Mishra, Mr. Karmanya Dev Sharma
                      and Mr. P.D.V. Srikar, Advocates.
             versus
 INTELLIPAAT SOFTWARE SOLUTIONS PRIVATE
                                             ..... Defendant
 LIMITED
                Through: Mr. Nischal Anand and Ms. Tanvi
                         Jain, Advocates.
 CORAM:
 JUSTICE PRATHIBA M. SINGH
          ORDER
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- 1. This hearing has been done through hybrid mode.
- 2. The present suit arises out of the alleged use of the Plaintiff's mark 'upGrad' by the Defendant and the Defendant's mark 'Intellipaat' by the Plaintiff. Vide previous order dated 28th February, 2022, ld. counsels for the parties had agreed that their clients would refrain from using each other's trademarks and variants/derivatives as keywords or in any manner through the Google Ads program. Accordingly, affidavits of the said undertaking were directed to be filed by both parties to bind the parties. The relevant portion of the said order dated 28th February, 2022 reads as under:
 - "26. Upon being put to the ld. Counsels, both counsels agree that their respective clients do not intend to use each other's trademark or any derivative/variant thereof on the Google Ads Program to promote their respective online education business.

- 27. Accordingly, instead of passing an injunction order, this Court deems it appropriate to accept the undertakings given by the Defendant in its reply and of the Plaintiff as per the submissions made today to the effect that the Plaintiff and the Defendant shall refrain from using each other's trademarks i.e., 'upGrad' and 'Intellipaat' and variants and derivatives thereof as keywords or in any other manner, through the Google Ads Program or any other Ads Programme on search engines. The said undertaking would apply not only for the marks themselves, but marks with or without spaces and/or inclusive of special characters as well.
- 28. Since both the ld. Counsels have agreed that their clients are ready to give undertakings, it is directed that the affidavits of undertakings shall be filed by both Plaintiff and the Defendant through their authorized signatories. Board resolutions authorizing the signatories shall also be placed on record. The language of the undertaking shall be exchanged between Mr. Nischal Anand and Mr. Sidhant Goel. The affidavits shall use broadly the same language, with changes mutatis mutandis as applicable. The same shall be filed along with the board resolutions within a period of 10 days from today. The undertakings shall be binding on the respective parties as also anyone acting on their behalf, including the search engine/s to whom the said undertakings along with the present order shall be communicated by ld. Counsels for both the parties."
- 3. Pursuant to the said order, on behalf of the Defendant, it is submitted that a draft undertaking was communicated to the Plaintiff, however, there were some areas of disagreement. The Court has perused the draft undertaking which was communicated. The area of disagreement is that the Defendants are willing to make a statement that they shall not use the Plaintiff's trademark 'upGrad' or any other deceptively similar mark, either as an exact search term or as a string search term on their Google Ads program. However, the Plaintiff insists that in the reply given to the legal notice by the Defendant dated 1st January, 2022, the Defendant had agreed to put the mark 'upGrad' in the negative key word list of their Google Ads account. The relevant extract is as below:
 - "1. At the outset, the contentions and allegations made by your client in the notice under reply are denied. However, in order to amicably resolve the issue at hand, Our Client shall investigate into the allegations raised in your said notice and if any use is revealed of your alleged mark subsequent to such investigation, our client undertakes that it will remove reference to your alleged 'upGrad' trademark as keyword through Google® ads and other search engines by 9th January, 2022. Further, our client also undertakes to put your client's alleged 'upGrad' marks in the negative keyword list in all of our client's Google Ads Account by the above-mentioned date. Our client will undertake the aforesaid compliance and will intimate you regarding the same."
- 4. Mr. Mehta, ld. Sr. counsel submits that the reply being categorical, the Defendant ought to be bound by the same.

- 5. On the other hand, Mr. Nischal Anand, ld. Counsel submits that this reply has been given under legal advice and without prejudice to the Defendant's rights, as is stated at the beginning of the reply dated 1st January, 2022, itself. He submits that requiring the Defendants to put the mark 'upGrad' in a negative keyword list will have negative consequences for the Defendant inasmuch as the Defendant's sponsored advertisement would be barred from being shown on a Google search for related services. Due to the manner in which the Google algorithm functions, even when generic searches are conducted by a user, putting 'upGrad' in the negative list will prove disadvantageous to the Defendant. Further, he submits that the requirement of putting the mark in a negative keyword list would not be covered by infringement of registered trademark as it is not a positive act of use by the Defendant.
- 6. It is clear that there are areas of disagreement between the parties. However, considering the reply which has already been given by the Defendant to the Plaintiff and the order passed in terms of paragraph 27 of the order dated 28th February, 2022, it is directed that the parties shall be bound by the undertakings recorded in paragraph 27 of the said order. The said order passed on 28th February, 2022, shall operate during the pendency of the suit.
- 7. The Defendants may file their written statement in terms of the timelines in the Commercial Courts Act, 2015.
- 8. List before Joint Registrar for marking of exhibits on 6th May, 2022.
- 9. List before Court on 17th August, 2022.

PRATHIBA M. SINGH, J.

APRIL 4, 2022 dj/ms