



2023:DHC:8960-DE



IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment delivered on: 14.12.2023

+ **FAO(OS) (COMM) 147/2022 & CAV 155/2022 & CM Nos. 27148/2022 & 27149/2022**

GOOGLE LLC

..... Appellant

versus

MAKEMYTRIP (INDIA) PRIVATE LIMITED AND ORS.

..... Respondents

Advocates who appeared in this case:

For the Appellant : Mr Sandeep Sethi, Senior Advocate with Mr Neel Mason, Mr Ankit Rastogi, Mr Vihan Dang, Ms Aditi Umapathy and Ms Varsha Jhavar, Advocates.

For the Respondents : Mr Amit Sibal, Senior Advocate with Mr Mohit Goel, Mr Sidhant Goel, Mr Deepankar Mishra, Mr Abhishek Kotnala, Mr Karmanya Dev Sharma, Mr Risabh Sharma & Mr Saksham Dhingra and Ms Mouli Rajput, Advocates for R-1.
Mr Ankur Sangal, Ms Pragya Mishra & Mr Shashwat Rakshit, Advocates for R-2 & R-3.
Mr Arun Kathpalia, Senior Advocate with Mr Aditya Gupta, Mr Raunaq Kamath, Mr Rahul Bajaj, Mr Sauhard Alung and Ms Diksha Gupta, Advocates for R-4.

AND

+ **FAO(OS) (COMM) 148/2022 & CM APPL. 27356/2022**

GOOGLE INDIA PRIVATE LIMITED

..... Appellant



versus

**MAKEMYTRIP (INDIA) PRIVATE LIMITED
& ORS.**

..... Respondents

Advocates who appeared in this case:

For the Appellant : Mr Arun Kathpalia, Senior Advocate with Mr Aditya Gupta, Mr Raunaq Kamath, Mr Rahul Bajaj, Mr Sauhard Alung and Ms Diksha Gupta, Advocates.

For the Respondents : Mr Amit Sibal, Senior Advocate with Mr Mohit Goel, Mr Sidhant Goel, Mr Deepankar Mishra, Mr Abhishek Kotnala, Mr Karmanya Dev Sharma, Mr Risabh Sharma & Mr Saksham Dhingra and Ms Mouli Rajput, Advocates for R-1.
Mr Ankur Sangal, Ms Pragya Mishra & Mr Shashwat Rakshit, Advocates for R-2 & R-3.
Mr Sandeep Sethi, Senior Advocate with Mr Neel Mason, Mr Ankit Rastogi, Mr Vihan Dang, Ms Aditi Umapathy and Ms Varsha Jhavar, Advocates for R-4.

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HON'BLE MR JUSTICE VIBHU BAKHRU

HON'BLE MR JUSTICE AMIT MAHAJAN

JUDGMENT

VIBHU BAKHRU, J.

1. The appellants have filed the present appeals impugning an ad interim order dated 27.04.2022 (hereafter '**the impugned order**') passed by the learned Single Judge in IA No. 6443/2022 filed under



Order XXXIX Rules 1 and 2 of the Code of Civil Procedure, 1908 (hereafter '**the CPC**') in CS (COMM.) 268/2022.

2. The respondent [MakeMyTrip (India) Private Limited – hereafter '**MIPL**'] had filed the aforementioned suit for permanent injunction restraining infringement of its trademarks, passing off, dilution of goodwill, unfair competition and rendition of accounts of profits/damages etc.

3. MIPL, *inter alia*, seeks a decree of permanent injunction against respondent nos. 2 and 3 arrayed as defendant nos. 1 and 2 (hereafter referred to as '**Booking Netherlands**' and '**Booking India**' respectively and '**Booking.com**' collectively) from in any manner bidding for, adopting or using its registered word marks ('MakeMyTrip', 'MMT' and 'MakeMyTrip Hotels Ltd.') or any deceptive variant thereof as keywords through the Google Ads Program or using the same in any manner whatsoever amounting to infringement of its trademarks.

4. MIPL also seeks a decree of mandatory injunction against the appellants arrayed as defendant nos. 3 and 4 in the suit (hereafter referred to as '**Google India**' and '**Google**' respectively) requiring them to ensure that Booking Netherlands and Booking India do not promote their business by using MIPL's word trademarks as keywords in the Google Ads Program.



5. By the impugned order, the learned Single Judge had restrained the defendants (Google, Google India, Booking Netherlands and Booking India) from using the mark 'MakeMyTrip' together/in conjunction, with or without spaces as a keyword on the Google Ads Program.

Factual Context

6. Google is a company incorporated under the laws of the United States of America and manages the Google Search Engine (<www.google.com>) and its country specific variants (hereafter referred to as '**the search engine**'). Google also manages and operates an advertisement program (Google Ads Program) in conjunction with the search engine for displaying sponsored links and advertisements (hereafter '**Google Ads**') on the search engine result page (hereafter '**SERP**').

7. MIPL is a company registered under the Companies Act, 1956. MIPL was initially incorporated as Travel by Web Pvt. Ltd. on 13.04.2000. However, subsequently, on 02.08.2000, it changed its tradename to MakeMyTrip.com Pvt. Ltd. Thereafter, on 28.06.2002, it changed the name to MakeMyTrip (India) Pvt. Ltd., which is its current name. It commenced its business initially with airline ticket bookings but has now grown to be one of the largest travel companies in India. MIPL claims that it offers a range of travel services both in India and abroad through its primary website <www.makemytrip.com> and other technology enhanced platforms. MIPL claims that it has secured several



awards in travel and tourism industry. It also has tie-ups with various partners including airlines. MIPL claims that it maintains an active and extensive presence on several social media platforms with the object of engaging with its customers and promoting its services.

8. MIPL claims that it is a registered proprietor of several trademarks including word marks as set out in the plaint. This includes the word marks ‘MakeMyTrip’ and ‘MMT’.

9. MIPL had filed the aforementioned Commercial Suit [being CS(COMM) 268/2022], *inter alia*, alleging that use of its trademarks ‘MakeMyTrip’ and ‘MMT’ as keywords in the Google Ads Program for displaying the links/ads of Booking.com constitutes infringement of its trademarks under Section 29 of the Trade Marks Act, 1999 (hereafter ‘**the Trade Marks Act**’).

10. MIPL’s grievance centres around the use of its trademarks as keywords in the Google Ads Program. The search results displayed on the SERP pursuant to any search query are primarily of two types. One known as ‘organic’ or ‘natural’ and the other being ‘inorganic’ or ‘sponsored’. The display of sponsored search results is pursuant to the advertisers subscribing to the Google Ads Program. The sponsored results are selected by use of Google’s proprietary software powering the Google Ads Program. These sponsored results are pre-fixed with the letters ‘Ad’. The SERP may also have a separate section for displaying sponsored results.



11. Google Ads Program is directed to displaying the sponsored advertisements for products or services, which are connected with the search queries. Google Ads Program makes use of keywords for displaying of sponsored Ads on the SERP. When a person feeds in the search query, which is either a keyword or contains a keyword, the link to the website of the advertiser who has selected the keyword is considered for display on the SERP.

12. Google auctions keywords in real time. The advertisers desirous of selecting a particular keyword specify the maximum price they are willing to pay if a user clicks on their advertisement. Google gets paid the bid amount for every user visiting the advertiser's landing page by clicking on the sponsored link.

13. MIPL also subscribes to the Google Ads Program for display of its advertisements (Ads). It submits a list of proposed keywords and bids for the same. MIPL claims that it uses Google's Ads Program to advertise its website <www.makemytrip.com>. MIPL is aggrieved by Booking.com bidding for its trademarks as keywords to display their advertisements. According to MIPL, the same constitutes infringement of its trademarks.

The Impugned Judgment

14. The learned Single Judge had briefly considered the controversy and *prima facie* concluded that the use of a registered trademark as a keyword constitutes trademark infringement. The learned Single Judge



had relied on the observations made by the Court in an earlier decision in *M/s DRS Logistics (P.) Ltd. and Anr. v. Google India Pvt. Ltd. and Ors.:* (2021) 88 PTC 217 Del.

15. The learned Single Judge *prima facie* accepted MIPL's contention that the use of the mark 'MakeMyTrip' as a keyword by its competitor Booking.com constitutes infringing use under Sections 2(2)(b), 29(4)(c), 29(6)(d), 29(7) and 29(8)(a) of the Trade Marks Act. The learned Single Judge reasoned that the use of MIPL's mark by Booking.com constituted use of MIPL's trademarks for the purposes of advertising. The learned Single Judge also observed that Google was encashing upon the goodwill of MIPL by allowing its competitor to book MIPL's trademarks as keywords.

16. The learned Single Judge *prima facie* observed that this practice of using trademarks as keywords amounted to taking unfair advantage of MIPL's trademarks and fell foul of Section 29(8) of the Trade Marks Act. Additionally, the learned Single Judge also observed that as a matter of principle the use of the keyword can constitute passing off.

Reasons and Conclusion

17. The issues raised in the present appeal are covered by an earlier decision of this Court in *Google LLC v. DRS Logistics (P.) Ltd. and Ors.:* *Neutral Citation 2023:DHC:5615-DB*. In the said case, this Court had held that the use of trademarks as keywords would amount to use by Google as well as the advertiser.



18. This Court had held that the use of marks as keywords would not amount to use as trademarks, therefore, use of such marks as keywords does not constitute infringement under Section 29(1) of the Trade Marks Act. In addition, this Court had held that the use of the trademarks as keywords is use in connection with goods and services of the advertiser. Thus, if the goods and services advertised covered under the sponsored link and those covered under the trademark are similar, Section 29(4) of the Trademarks Act would have no application. This Court had rejected the contention that the use of trademarks as keywords *per se* constitutes infringement of the trademark. There was nothing illegal in Google using the trademarks as keywords for display of advertisements if it did not result in any confusion or mislead internet users to believe that sponsored links or Ads displayed were associated with the proprietors of the trademarks. Thus, the use of trademarks as keywords absent any confusion or unfair advantage, would not infringe the trademark.

19. MIPL also participates in the Google Ads Program. It is averred in the plaint that when a user searches for 'MakeMyTrip' in seven cases out of ten, Booking.com's sponsored link appears in the second position to MIPL's link. Thus, it is apparent that Booking.com also bids for MIPL's trademarks as keywords.

20. It is important to note that a search for MIPL's name or its trademarks using Google's search engine, would show MIPL's web address in organic search results on the SERP. MIPL, essentially,



claims that Booking.com’s advertisements or links should not be visible as sponsored link on the SERP. *Prima facie*, we are unable to accept that MIPL can claim any such right on the basis of its rights under the Trademark Act.

21. Booking.com is a well-known and popular platform offering travel services. *Prima facie*, we are unable to accept that an internet user is likely to be misled into believing that the services offered by Booking.com are those of MIPL.

22. The learned Single Judge’s view that use of trademark ‘MakeMyTrip’ as a keyword by Booking.com, which is one of its major competitors, would amount to infringing use under Section 29(4)(c) of the Trade Marks Act, is erroneous. This is because the services offered by Booking.com are similar to the services covered by MIPL’s trademarks. In these circumstances Section 29(4) of the Trade Marks Act would have no application.

23. It is relevant to refer to the decision of the Supreme Court in the case of *Renaissance Hotel Holdings Inc. v. B. Vijaya Sai and Ors.:* (2022) 5 SCC 1. In that case, the court has held as under:

“57. The perusal of sub-section (4) of Section 29 of the said Act would reveal that the same deals with an eventuality when the impugned trade mark is identical with or similar to the registered trade mark and is used in relation to goods or services which are not similar to those for which the trade mark is registered. Only in such an eventuality, it will be necessary to establish that the registered trade mark has a reputation in India and the use of the mark without due cause



takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark. The legislative intent is clear by employing the word “and” after clauses (a) and (b) in sub-section (4) of Section 29 of the said Act. Unless all the three conditions are satisfied, it will not be open to the proprietor of the registered trade mark to sue for infringement when though the impugned trade mark is identical with the registered trade mark, but is used in relation to goods or services which are not similar to those for which the trade mark is registered. To sum up, while sub-section (2) of Section 29 of the said Act deals with those situations where the trade mark is identical or similar and the goods covered by such a trade mark are identical or similar, sub-section (4) of Section 29 of the said Act deals with situations where though the trade mark is identical, but the goods or services are not similar to those for which the trade mark is registered.”

24. The Supreme Court also faulted the High Court for picking up Clause (c) of Sub-section (4) of Section 29 of the Trade Marks Act without noticing other provisions of Sub-section (4) of Section 29 of the Trademarks Act. Paragraph 68 of the said decision is set out below:

“68. Ignoring this principle, the High Court has picked up clause (c) of sub-section (4) of Section 29 of the said Act in isolation without even noticing the other provisions contained in the said sub-section (4) of Section 29 of the said Act. Similarly, again while considering the import of sub-section (1) of Section 30 of the said Act, the High Court has only picked up clause (b) of sub-section (1) of Section 30 of the said Act, ignoring the provisions contained in clause (a) of the said sub-section (1) of Section 30 of the said Act.”

25. The impugned judgment suffers from a similar error. The learned Single Judge had observed that the use of trademarks as keywords “*amounts to taking advantage of the distinctive character and*



reputation of the plaintiff's trademark” and had proceeded to hold that the use of the mark ‘MakeMyTrip’ as a keyword amounted to infringement, *inter alia*, under Section 29(4)(c) of the Trade Marks Act, without considering that the conditions as specified under Clause (b) of Sub-section (4) of Section 29 of the Trade Marks Act, were not satisfied.

26. We are also unable to accept the view that *ex facie* the use of MIPL’s trademark MakeMyTrip as a keyword falls foul of Section 29(8) of the Trade Marks Act as it amounts to unfair advantage and is contrary to the honest practices in industrial or commercial matters and thus, constitutes infringement under Section 29(8) of the Trade Marks Act. Use of trademarks as key words by competitors, absent any confusion or deceit, does not *per se* amount to infringing use. These issues are squarely covered by the decision of this Court in ***Google LLC v. DRS Logistics (P.) Ltd. and Ors.*** (*supra*).

27. We are also unable to concur with the learned Single Judge that provision of Sub-section (7) of Section 29 of the Trade Marks Act are applicable. The said sub-section is applicable when a person applies a registered trade mark to a material intended to be used for labelling or packaging of goods, as a business paper, or for advertising goods or services. In the present case, the use of trade marks as keywords cannot, by any stretch, be construed as applying the registered trade mark to any material intended to be used for labelling or packing goods, as a business paper, or for advertising goods or services. It was contended



by Mr. Sibal that use of keywords would, in the virtual world, be akin to applying the trade mark in the software used to power the Google Ad Program. The said contention is unmerited and insubstantial. The trade mark is not applied to any material when it is used as a keyword. Neither Google nor the advertiser applies the trade mark on any material. Neither of them do so to any material intended to be used for labelling or packaging of goods or as a business paper. There is no application to any material for advertising goods or services.

28. The decision in the case of *Google LLC v. DRS Logistics (P.) Ltd. and Ors.* (*supra*) was rendered after the arguments in the above-captioned appeals were heard. Thus, this Court granted the parties a further opportunity to address arguments in the light of the decision of this Court in *Google LLC v. DRS Logistics (P.) Ltd. and Ors.* (*supra*). Whereas Mr. Sethi, learned senior counsel appearing for Google submitted that all questions raised in this appeal were covered by the decision in *Google LLC v. DRS Logistics (P.) Ltd. and Ors.* (*supra*), Mr. Sibal learned senior counsel appearing for MIPL contended that all questions except two, were covered by the aforesaid decision.

29. He submitted that the first question was regarding infringement of MIPL's trademark under Sub-section (2) of Section 29 of the Trade Marks Act. He submitted that since the services offered by Booking.com were similar to those offered by MIPL and its trademarks were used as keywords for advertising those services, the same constituted infringement under Sub-section (2) of Section 29 of the



Trade Marks Act. He contended that the second question that requires examination is whether the provisions of Sub-section (4) of Section 29 of the Trade Marks Act are inapplicable if the goods or services in respect of which the marks are used, are similar. He submitted that there were decisions of the European Court of Justice supporting the said view.

30. We are unable to agree with the contention that Sub-section (4) of Section 29 of the Trade Marks Act would be applicable in cases where the goods and services in respect of which allegedly infringing marks are used, are similar. A plain reading of Sub-section (4) to Section 29 of the Trade Marks Act indicates that it is applicable only when a person who is not a registered proprietor of a registered trademark, or otherwise entitled to use the same, uses in the course of the trade a mark, which is identical or similar to the registered trademark in relation to goods or services, which are not similar to those for which the trademark is registered. This issue is no longer *res integra* in view of the decision of the Supreme Court in ***Renaissance Hotel Holdings Inc. v. B. Vijaya Sai and Ors.*** (*supra*). The said issue is also covered by the decision of this Court in ***Google LLC v. DRS Logistics (P.) Ltd. and Ors.*** (*supra*).

31. In so far as the first question is concerned, Mr. Sibal had contended that the use of MIPL's trademarks as keywords for displaying the advertisements of Booking.com constitutes infringement under Sub-section (2) to Section 29 of the Trade Marks Act. He



submitted that this was so because the services covered under the MIPL's trademarks were similar to the services offered by Booking.com. He further contended that by virtue of Sub-section (3) of Section 29 of the Trade Marks Act, it must be presumed that the use of MIPL's Trademarks would result in confusion. He submitted that the burden to rebut the presumption would rest with the defendants and the same could be done only at the stage of trial. He submitted that, thus, in the first instance, an *ad interim* injunction was required to be issued. He relied on the decision of the Supreme Court in ***Sodhi Transport Co. and Ors. v. State of U.P. and Ors.: (1986) 2 SCC 486*** in support of its contention.

32. Mr. Sethi, learned senior counsel appearing for ***Google LLC*** countered the aforesaid submissions. He submitted that it is not necessary that the presumption could only be rebutted at the stage of trial. The defendants could at a threshold and on the basis of the material on record, dispel such presumption. He relied on the decision of the Bombay High Court in the case of ***Meso Pvt. Ltd. v. Liberty Shoes Ltd.: 2020 (1) Mah LJ 253***.

33. In ***Sodhi Transport Co. and Ors. v. State of U.P. and Ors.*** (*supra*), the import of Section 28-B of the Uttar Pradesh Sales Tax Act, 1948 fell for consideration of the Court. The said provision required the driver or other person in-charge of a vehicle, which was coming from any place outside the State to obtain a transit pass from the officer in charge of the first check post or barrier after his entry into the State and



deliver it to the officer in charge of the last check post or barrier before his exit from the State, failing which “*it shall be presumed that the goods carried thereby have been sold within the State*”. The appellants in the said case, had challenged the constitutional vires of the said provision on several grounds including that it infringed the fundamental right to freedom of trade and commerce and imposed unreasonable restriction on the freedom of trade guaranteed under Article 19(1)(g) of the Constitution of India. The Supreme Court had upheld the decision of the High Court in rejecting the said challenge. The Supreme Court explained that Section 28-B of the Uttar Pradesh Sales Tax Act, 1948 raised a rebuttable presumption that the goods must have been sold in the State, if the transit pass was not handed to the officer at the said check post. It was explained that it was open for the owner or the person in charge of the vehicle to establish that the goods had been disposed of in a different way. The said decision cannot be read to mean that the presumption can only be rebutted after a full-fledged trial. The Supreme Court had also observed that “*The rules of presumption are deduced from enlightened human knowledge and experience and are drawn from the connection, relation and coincidence of facts, and circumstances.*”.

34. Clearly, it is open for the defendants to persuade the Court on the basis of material on record that there is no likelihood of any confusion. It is erroneous to suggest that in cases where a trademark, which is deceptively similar, is used in connection with similar goods and services, an injunction must necessarily follow.



35. The reliance placed on the provisions of Section 4 of the Indian Evidence Act, 1872 is also not apposite. The meaning of the expression ‘shall presume’ as set out in the said Section is in respect of the meaning of the said expression under the Indian Evidence Act, 1872 and it is not necessary that the same meaning be ascribed to the expression as used in other enactments.

36. We do not consider it apposite to examine this question in any further detail. The impugned judgment, clearly, indicates that the learned Single Judge had not found the use of MIPL’s trademarks as infringing use under Section 29(2) of the Trade Marks Act. Thus, *sensu stricto*, this question does not arise in this appeal.

37. In view of the above, the impugned order is set aside. The appeals are disposed of in the aforesaid terms.

VIBHU BAKHRU, J

AMIT MAHAJAN, J

DECEMBER 14, 2023

RK/gsr