
(2019) 01 DEL CK 0399

In the Delhi High Court

Case No : Civil Suits (COMM) 1112 Of 2018, Civil Miscellaneous Application No. 12345 Of 2018

Citigroup Inc. & Ors

APPELLANT

Vs

Puneet Motwani

RESPONDENT

Date of Decision : 29-01-2019

Acts Referred:

Citation : (2019) 3 AD(Delhi) 426 : (2019) 77 PTC 624

Hon'ble Judges : Manmohan, J

Bench : Single Bench

Advocate : Karan Bajaj, Anirudh Bhatia

Judgement

1. Present suit has been filed for permanent injunction restraining infringement of registered trademarks, passing off, dilution of trademark and unfair competition. The prayer clause is reproduced hereinbelow:-

"A. The Defendant, its directors, officers, employees, agents, distributors, suppliers, affiliates, subsidiaries, franchisees, representatives and assigns be restrained by a permanent injunction from :

i. Carrying on any business whatsoever under the mark/trading name CITI, CITI WEALTH ADVISORS, CW, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED and CITI with ARC Design or in any other manner whatsoever holding themselves out as agents and/or branch offices and/or in any other manner whatsoever masquerading as the Plaintiffs herein;

ii. Offering funds/investments applications/agreements under the name CW MILLION OPPORTUNITIES FUND, CW DIVERSIFIED FUND and CW QUANT MULTIPLIER FUND or in any other name whatsoever so as to misrepresent the fund/investment as that of the Plaintiffs;

iii. Using the impugned mark CITI, CITIGROUP and CITI with ARC Design or any other mark/device deceptively or confusingly similar to the Plaintiffs' registered

trade marks CITI, CITIGROUP and CITI with ARC Design and CITI Formative marks either as a trade mark/device or part of a trade mark, trade name or part of a trade name, corporate name or part of corporate name, company name or part of a company name, or a domain name or part of a domain name or in any other manner whatsoever providing services so as to infringe the plaintiffs' registered trade marks; design/device and formative marks;

iv. Manufacturing, selling or offering for sale, advertising, marketing or in any other manner whatsoever providing services using the impugned mark CITI, CITI WEALTH ADVISORS, CW, CITIGROUP GLOBAL MARKET INDIA PRIVATE LIMITED and CITI with ARC Design or any other mark/device deceptively or confusingly similar to the plaintiffs' trade mark trade marks CITI, CITI WEALTH ADVISORS, CITIGROUP MARKETS INDIA PRIVATE LIMITED and CITI and ARC Design and CITI Formative marks so as to pass off the Plaintiffs' registered trade marks, devices, deigns and formative marks; v. Using the business card of the Indian subsidiary of the Plaintiff No. 1-Citigroup Global Markets India Private Limited bearing the impugned marks CITI and CITI with ARC Design, the impugned name CITI WEALTH ADVISORSandtheemailid puneet.motwani@citi.com and/or any other mark/name which is identical/virtually identical and deceptively and/or confusingly similar to the plaintiffs' well-known trade marks CITI, CITIGROUP and CITI with ARC Design;

vi. Disposing off or dealing with its assets in a manner which may adversely affect the plaintiffs' ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the Plaintiffs;

B. The Defendant, its directors, partners, officers, employees, agents, distributors, supplier, affiliates, subsidiaries, franchisees, representatives and assigns be directed by a mandatory injunction:

i. To hand over to the Plaintiffs, all goods, including but not restricted to all publications and other printed material, letterheads, stickers, business cards and other stationery, billboards and advertising material or any other material whatsoever bearing CITI, CITIGROUP and the CITI with ARC Design or any other mark/device deceptively or confusingly similar to the Plaintiffs' registered trade marks and formative marks;

ii. To recall all the fund/investment applications which may have been prosecuted under the offending marks/name and to provide a full and fair disclose of the undue monetary benefit gained from such applications;

iii. To give to the Plaintiffs, a full and fair disclosure of any and all application(s) that they may have made to the Registrar of Trade Marks for registration of the mark CITI, CITIGROUP and the CITI with ARC Design or any other mark/device deceptively or confusingly similar to the Plaintiffs' registered trademarks and formative marks and to forthwith withdraw such application(s);

iv. To transfer the domain name www.citiwealth.in to the Plaintiffs or its designee

forthwith.

v. To disclose if they own any domain name which is identical / confusingly and deceptively similar to the plaintiffs' well-known earlier and registered trademarks and Formative marks, if so, to transfer the said domain name(s) to the plaintiffs or its designee forthwith;

vi. To disclose the trading name/company name registered by the defendant which is deceptively and/or confusingly similar to the plaintiffs' well-known trade marks CITI, CITI WEALTH ADVISORS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND CITI with ARC Design;

vii. Deliver to the Plaintiffs for destruction all the materials including all packaging, labels, pouches, brochures, business cards, business envelopes, letterheads, cartons, publicity material, pamphlets, hoardings, signboards, stationery, application forms etc. that bear or incorporate the impugned marks, names or domain name or any other mark which is identical or deceptively and confusingly similar to the plaintiffs' well-known trade marks CITI, CITIGROUP, CITI WEALTH, CITI with ARC Design and various CITI Formative Marks and trade name CITI WEALTH ADVISORS/CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED;

C. The Defendant be required to render an account of all transactions concerning the offending activities set out in the plaint and plaintiffs be given the option of choosing either award or damages (including penal and exemplary damages) or accounts for profits for the amount due.

D. Costs of the suit be awarded to the plaintiffs;

E. Any other relief which the Hon'ble Court thinks fit and proper in the circumstances of the case be allowed in favour of the plaintiffs and against the defendant."

2. Vide order dated 13th September, 2018, this Court had granted an ex parte ad interim injunction in favour of the plaintiffs and against the defendant. The relevant portion of the ex-parte injunction order is reproduced hereinbelow:-

"Consequently, till further orders, defendants, its directors, partners, officers, employees, agents, distributors, suppliers, affiliates, subsidiaries, franchisees, representatives and assigns are restrained from carrying on any business or as corporate name or domain name or part of a domain/company name, whatsoever under the mark/trading name CITI, CITI WEALTH ADVISORS, CW, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED and CITI with ARC design or in any other manner whatsoever holding themselves out as agents and/or branch officers and/or in any other manner whatsoever masquerading as the plaintiffs' herein or from offering funds/ investment applications/agreements under the name CW MILLION OPPORTUNITIES FUND, CW DIVERSIFIED FUND and CW QUANT MULTIPLIER FUND or in any other name whatsoever so as to misrepresent the fund/investment as that of the plaintiffs or from providing

services using the impugned mark CITI, CITI WEALTH ADVISORS, CW, , , CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED and CITI with ARC Design or any other mark/device deceptively or confusingly similar to the plaintiffs' trade marks CITI, CITI WEALTH ADVISORS, CITIGROUP MARKETS INDIA PRIVATE LIMITED and CITI with ARC Design and CITI Formative marks or from using the business card of the Indian subsidiary of the plaintiff No.1- Citigroup Global Markets India Private Limited bearing the impugned marks CITI and CITI with ARC Design, CITI WEALTH ADVISORS and the email id puneet.motwani@citi.com and/or any other mark/name which is identical/virtually identical and deceptively and/or confusingly similar to the plaintiffs' trademarks CITI, CITIGROUP and CITI with ARC Design. The Registrar is also directed to block the plaintiffs' domain name www.citiwealth.in."

3. This Court appointed a Local Commissioner to visit the premises of the defendant vide order dated 24th September, 2018. The Local Commissioner visited the premises of the defendant at (1) Sector Shop NO. 1, HSIIDC Market, HSIIDC International Road, Sector 31, Faridabad Haryana and (2) 210, Sector 10, Faridabad, Haryana. 26th and 27th September, 2018. The first premises of the defendant bore a CW/CW (Stylized) mark on its door. Apart from the aforesaid label displayed on the door, nothing else was found. The second premises of the defendant was locked.

4. The right of the defendant to file its written statement was closed vide order dated 18th January, 2019. Since despite service none entered appearance on behalf of the defendant, they are proceeded ex parte.

5. At this stage, learned counsel for the plaintiff gives up prayers A(vi), B (i) to (iii), (v) to (vii) and C of the prayer to the suit. The statement made by learned counsel for plaintiff is accepted by this Court and plaintiff is held bound by the same.

6. This Court is also of the view that the present suit can be disposed of without any further delay. A Coordinate Bench of this Court in Satya Infrastructure Ltd. and Ors. Vs. Satya Infra & Estates Pvt. Ltd., 2013 SCC OnLine Del 508 has held as under:-

"I am of the opinion that no purpose will be served in such cases by directing the plaintiffs to lead ex parte evidence in the form of affidavit by way of examination-in-chief and which invariably is a repetition of the contents of the plaint. The plaint otherwise, as per the amended CPC, besides being verified, is also supported by affidavits of the plaintiffs. I fail to fathom any reason for according any additional sanctity to the affidavit by way of examination-in-chief than to the affidavit in support of the plaint or to any exhibit marks being put on the documents which have been filed by the plaintiffs and are already on record. I have therefore heard the counsel for the plaintiffs on merits qua the relief of injunction."

7. It is averred in the plaint that the plaintiff No.1 is a company established

under the laws of the State of Delaware, with plaintiff No.2 as its wholly-owned subsidiary. It is stated that the plaintiff nos. 1 and 2 operate through their Indian subsidiaries i.e. plaintiff No.3 and Citigroup Global Markets India Private Limited.

8. It is averred in the plaint that the plaintiffs are a leading global bank with over 100 million customer accounts and conduct business in more than 100 countries and jurisdictions. It is stated that the plaintiffs' retail banking network consists of more than 4,000 branches across the globe and over 10,000 ATMs worldwide, including over 700 in India, the earliest being in 1902.

9. It is contended that the plaintiffs are internationally renowned and world leaders inter alia in banking and financial services and own renowned marks CITI, CITI and Arc Design , CITIBANK, CITIGROUP, CITIFINANCIAL, CITI WEALTH ADVISORS and a number of other well-known CITI family marks.

10. It is stated in the plaint that the plaintiffs opened their first branch in India in Calcutta in 1902 and is now well-known amongst the public. It is stated in the plaint that subsequent to the Citicorp merger with Citigroup Inc. in 2005, the Plaintiff No.1 became the owner of the aforesaid marks and that the plaintiffs have adopted CITI and CITI with ARC Design since 2007 as its overarching brand identity for the entire group of companies. It is also stated that CITI brand name is the key to the branding of the plaintiffs.

11. It is averred in the plaint that mark CITI was first founded in 1812 and the plaintiffs obtained their earliest registration for the mark CITIBANK under Class 09 of the Trade Marks Act on 15th April, 1982 with earliest user of CITI being 30th January, 1979. It is stated in the plaint that the plaintiffs are the registered proprietors of the marks CITI, CITI with ARC Design and CITIGROUP and several CITI formative marks under Classes 02, 04, 09, 16, 35, 36 and 42 of the Trade Marks Act, 1999.

12. It is also stated that the plaintiffs have a strong presence on the internet under the domain names 'citi', 'citibank', 'citigroup', 'citicorp' and 'citicards'. The plaintiffs' websites www.citicorp.com, www.citibank.com and www.citi.com amongst others serve as a tool for banking and financial services of the plaintiffs, including secure online banking.

13. It is the case of the plaintiffs that the annual revenue generated by the plaintiffs in the year 2017 was USD 71.5 Billion. The plaintiffs have spent millions of US dollars in promoting their CITI family of brand names in India and the average annual marketing expenditure in India from 2005 till date has been over USD 20 Million.

14. Learned counsel for the plaintiff states that the defendant was employed with the plaintiffs' Indian subsidiary Citigroup Global Markets India Private Limited between 08th June, 2015 and 25th August, 2015. He states that on 09th September, 2018, the plaintiffs gained information that the defendant is carrying on business under the name and style of CITI WEALTH ADVISORS, CITIGROUP

GLOBAL MARKETS INDIA PRIVATE LIMITED and offering fraudulent schemes/products. He further states that the defendant has unauthorisedly mentioned the defendant's ex-employers address i.e. Citigroup Global Markets India Private Limited, Ground Floor, Jeevan Vihar Building, 3 Sansad Marg, Parliament Street, New Delhi - 110001 as the defendant's and that the defendant is displaying the email id puneet.motwani@citi.com on its business card, which is the exact name and style as the plaintiffs' email IDs for its employees. A screenshot of the business card of the defendant is reproduced hereinbelow:-

15. Learned counsel for the plaintiffs states that the defendant has also shared an application form for the fraudulent scheme/products CW MILLION OPPORTUNITIES FUND, which contains the plaintiffs' registered trademarks/trade name CITI and CITI with ARC Design as well as the impugned name CITI WEALTH and the impugned logo ,which are identical and confusingly similar to the trade name of the plaintiffs' CITI WEALTH ADVISORS. He states the product term sheet mentions the Piramal Group (Piramal Fund Management Private Limited) as its sponsors. However, upon checking with the said company, it was revealed that the Piramal Group was not aware of the aforementioned schemes/products. Learned counsel for the plaintiffs states the memorandum of understanding for 'Option to Surrender' being distributed by the defendant states disputes arising out of the memorandum of understanding will be referred to a sole arbitrator and jurisdiction for the same is New Delhi.

16. Learned counsel for the plaintiffs states that an online investigation further revealed that as on 03rd August, 2018, the defendant became the registered owner of the domain name www.citiwealth.in. He further states the defendant is using a logo with the acronym CW which is identical to the impugned logo as mentioned on their application form.

17. Learned counsel for the plaintiffs further states that the defendant's website also provides a link, wherein forms for the aforementioned fraudulent schemes/products along with other ancillary forms can be downloaded and upon completion are to be submitted to an email ID ops@citiwealth.in. He states that the defendant has designed its activities in such a manner that any potential customer is likely to believe that the said website belongs to the plaintiffs and thereby get confused with the service of the defendant as that of the plaintiff.

18. Learned counsel for the plaintiffs states that the defendant's adoption and fraudulent use of the impugned marks has been done with the intent to usurp and take unfair advantage of the reputation of the plaintiffs' well-known trademarks CITI, CITI with ARC Design and trade name CITI WEALTH ADVISORS, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED. He states that the defendant's use of the abbreviation CW on its website, for other fraudulent funds and CITI WELATH on the application form displays the defendant's mala fide intent to try and portray that he is somehow associated with the plaintiff. He further states that the activities of the defendant amount to infringement of the plaintiffs' trademarks.

19. He lastly states that the plaintiffs have filed a criminal complaint with the Economic Offences Wing, Delhi Police on 11th September, 2018.

20. In the opinion of this Court, the defendant has no real prospect of defending the claim, as it has neither entered appearance nor has it filed its written statement. Further, the plaintiffs are the registered owners of the trade marks in question.

21. In view of the above, the present suit is decreed in favour of the plaintiffs and against the defendant in accordance with prayer A (i) to (v) and B (iv) of the present plaint along with actual costs. The costs shall amongst others include lawyers' fees as well as the amounts spent on purchasing the Court fees. The plaintiffs are given liberty to file on record the exact cost incurred by them in adjudication of the present suit, if not already filed. Defendant is directed to transfer the impugned domain name www.citiwealth.in to the plaintiffs or its assignee. Registry is directed to prepare a decree sheet accordingly.

22. With the aforesaid observations, present suit and pending application stand disposed of.