
(2009) 08 BOM CK 0106
In the Bombay High Court
Case No : Arbitration Petition No. 66 of 2009

Jigar Vikamsey, An Indian National

APPELLANT

Vs

Bombay Stock Exchange Limited

RESPONDENT

Date of Decision : 28-08-2009

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 34, 34(2), 36

Citation : (2010) 1 BomCR 908

Hon'ble Judges : Anoop V. Mohta, J

Bench : Single Bench

Advocate : Sanjay Kher and Amit Shroff, for the Appellant; Virag Tulzapurkar, F. Palkhiwala, instructed by Wadia Ghandy and Co., for the Respondent

Final Decision : Dismissed

Judgement

Anoop V. Mohta, J.—The petitioner (original Respondent) has invoked Section 34 of the Arbitration and Conciliation Act, 1996 (for short, the Act) and challenged an Award dated 17th August, 2008 passed by the Arbitrator appointed by the Internet Exchange of India, whereby the complaint filed by the respondent (original complainant) has been allowed and it is ordered that the disputed domain name "SENSEX.IN" be transferred to the respondent/company.

2. The basic averments of the complainant are as under:

3.1 The complainant, a public limited company is the oldest stock exchange in Asia with a rich heritage and is popularly known as "BSE". The complainant was originally established as "The Native Share & Stock Brokers" Association" in 1875 and was an Association of Persons (AOP). In 1957, the name was changed to "The Stock Exchange, Mumbai". In 2002, it was "Bombay Stock Exchange". Effective from 19th August, 2005, the complainant has come to be known as "Bombay Stock Exchange Limited" by virtue of BSE (Corporatisation and Demutualization) Scheme, 2005 notified by the Securities and Exchange Board of India (SEBI).

3.2 The complainant is an affiliate member of FIBV, the International Federation of Stock Exchanges, an organization devoted to demonstrating the crucial financial role that Exchanges play in the world economy and facilitating international initiatives and crossborder cooperation. Information about BSE appears on the FIBV's website. Further it may be noted that the complainant is a registered member of the International Organizations such as World Federation of Exchange (WFE), International Organization of Securities Commission (IOSCO), Founder member of South Asian Federation of Exchanges (SAFE). The complainant provides an efficient and transparent market for trading in equity, debt instruments and derivatives. It has an international reach including a presence in 417 cities and towns of India.

3.3 In or around 1986, the complainant coined the word "SENSEX" from the words "sensitive index" for use upon and in relation to its publication and reporting of the most traded or sensitive stocks on the Bombay Stock Exchange. The complainant has been using the name/service mark "SENSEX", an index of 30 component stocks, from around 1986, which has become the benchmark index of the Indian Capital Market, and is extensively reported in international print and electronic media. "SENSEX" is widely reported in both domestic and international markets through print as well as electronic media. The booms and bust of the Indian equity market can be identified through "SENSEX". Due to its wide acceptance among the Indian and foreign investors, "SENSEX" is regarded to be the pulse of the Indian Stock Markets and is associated exclusively with the complainant.

3.4 The services provided by the complainant under the said trade mark "SENSEX" are widely advertised and promoted in the print and electronic media and on the internet, and the complainant has expended over Rs. 678.35 million on advertising and promotional expenses in respect of the services provided by the complainant for the last 3 years. The complainant has developed an unprecedented level of goodwill and enjoys a very high reputation globally in respect of the services provided under the trade mark "SENSEX". The trade mark "SENSEX" has been continuously and extensively used on a wide scale since the year of its adoption by the complainant and is well known globally.

3.5 The complainant is the registered proprietor of the trade mark" service mark "SENSEX" in the United States of America and India.

3.6 The complainant has got the following US registrations for the mark SENSEX. The complainant has filed copies of US registrations.

Sr. No

Trade Mark

Class

Trade Mark number

Goods/services

1

SENSEX

16

2981287

Publications regarding the financial and investment industries, namely periodicals, manuals, brochures, pamphlets and books.

2

SENSEX

36

2981287

Securities exchange services: securities brokerage services; providing financial and investment information and securities trading services via telephone wireless communications and the internet.

3.7 The complaint has registered its mark SENSEX in India under Application No. 1483928 in class 35 in respect of Compilation of mathematical or statistical data services. The said Application was pending at the time of filing of the complaint and was registered subsequently. The complainant has filed by way of an affidavit a copy of certificate of registration of the said mark along with a certificate for use in legal proceedings.

3.8 The complainant has the following applications for the mark SENSEX.

Sr. No

Trade Mark

Class

Trade Mark Application number

Services

1

SENSEX

36

1483934

Financial affairs and monetary affairs.

2

SENSEX

41

1483975

Education and training affairs.

3.9 In or around July 2007 the complainant was shocked to discover that its trade mark "SENSEX" is being used and has been registered as a domain name as "sensex.in" by the Respondent. The web site under the disputed domain name "sensex.in" purports to provide information services with respect to the stock markets and current Initial Public Offerings (IPO)., The disputed domain name sensex.in in fact, merely provides links to similar other websites. The web site under the disputed domain name "sensex.in" is so designed and contains information about the complainant, in such a manner as would lead members of public and users of the internet, to believe that the impugned website emanated from the complainant itself.

3. The respondent, therefore, through Attorney sent email dated 24th July, 2007 to cease and desist from using the domain name, confusing and/or deceptively similar to the complainant's trademark "SENSEX". They have also applied to the Registrar, Direct Information Private Limited for cancellation of the registration of the impugned domain name and/or alternatively to transfer the same in favour of the complainant. The said notice was resisted by the petitioner and never stopped using the said disputed domain name. The complaint was, accordingly, lodged.

4. The case of the petitioner/original respondent is noted as under:

3.13 The respondent has a Master's Degree in Business Administration with a specialization in Finance. He desired to disseminate information about the investment markets in India through internet and adopted the disputed domain name "sensex.in".

3.14 The disputed domain name "sensex.in" has been registered in the name of the respondent since 16th February, 2005. It was argued that the respondent has not yet started using the disputed domain name "sensex.in" in connection with any goods or services. What are appearing on the web site under the disputed domain name "sensex.in" are the advertisements or links provided by Google. The respondent, however, is planning to offer in the immediate future certain services in the field of capital markets through the disputed domain name "sensex.in".

3.15 The word "sensex" appearing in the disputed domain name sensex.in is very commonly used by all in connection with capital market transactions, analysis and news. Evidently, no one has any monopoly over the word Sensex and it cannot be used as a trade mark by anyone including the complainant to the exclusion of others. The respondent has in good faith and bonafidely adopted

the disputed domain name "sensex.in" containing the word Sensex.

5. Admittedly, the parties are governed by IN Domain Name Dispute Resolution Policy (INDRP) rules of procedure. The parties have accordingly proceeded and participated before the Arbitrator constituted accordingly.

6. On 22.02.2008, after the complaint filed by the respondent, the Registry/ Arbitrator issued a notice informing about the complaint and decide the said complaint through the Arbitration proceeding. On 10.03.2008, the petitioner received hard copy to which he submitted a reply on 15.03.2008 in writing and awaited for the decision. However, as the earlier Arbitrator failed to pass Award within 60 plus 30 days, the Registry as per (INDRP) Rules, appointed another Arbitrator from the empaneled Arbitrators on 4th July, 2008.

7. On 08.07.2008 the Arbitrator received the hard copy of the complaint along with the annexures, but not other proceedings and to know why no action was initiated by the earlier Arbitrator. The complainant sent an electronic version of the complaint to the Arbitrator on 9th July, 2008. On 11.07.2008 the petitioner informed the Arbitrator that he had already filed his response before the earlier Arbitrator. The petitioner had intimated his fresh authorisation in favour of his counsel. On 20.07.2008, the petitioner responded to the complaint. As provided, the complainant requested for personal hearing which the Arbitrator acceded to and accordingly fixed the hearing on 03.08.2008. The Arbitrator also informed that since the matter was pending for long only one adjournment would be granted.

8. On 09.08.2008, by consent of the parties, the hearing took place at Mumbai. The parties were represented through their Counsel. They had filed their written submissions by 16.08.2008. The reasoned award came to be passed on 17.08.2008. The petitioner received the copy of the reasoned order on 04.09.2008. Hence, this petition filed on 26.11.2008.

9. The INDRP itself provides that in order to succeed in the complaint, the complainant must establish, as per paragraph 4, the following elements:

5.3 The complainant in order to succeed in the complaint must establish under paragraph 4 of .IN Domain Name Dispute Resolution Policy (INDRP) the following elements:

(I) Respondent's domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights;

(II) Respondent has no right or legitimate interests in respect of the domain name; and

(III) Respondent's domain name has been registered or is being used in bad faith.

Therefore any aggrieved person like respondent is entitle to lodge such complaint before the INDRP Registry. The defence of prior registration of domain name is

not sufficient to retain the domain name.

10. The Law governing the trademark is well established. The Apex Court in Thukral Mechanical Works Vs. P.M. Diesels Pvt. Ltd. and Another, observed as under:

22 There cannot be any doubt or dispute that the registration of a trade mark confers a very valuable right. The person in whose name the trade mark has been registered may take action against any person for passing off the goods as that of the registered owner. It confers an exclusive right of use of the trade mark in relation to the goods in which the trade mark is registered. The same is an assignable right in terms of Section 36 of the Act, whereas an unregistered trade mark is not.

It is not the case of nonuser of trade mark for a long time. The right of a registered trade mark is not lost automatically. It does not provide for a "sunset". It has to be adjudicated upon [Thukral (supra)]. The complaint as filed by the respondents to protect the acquired right is well within the frame of the rules and the record.

11. The Petition is u/s 34 of the Act. The Apex Court recently in G. Ramachandra Reddy and Co. Vs. Union of India (UOI) and Another, and in M.P. Housing Board Vs. Progressive Writers and Publishers, , while dealing with both the Arbitration Acts and considering the principles to challenge the Arbitral Award has reiterated the following points:

(a) The reappraisal of the evidence by the Court is not permissible (M/s. Ispat Engineering and Foundry Works, B.S. City, Bokaro Vs. M/s. steel Authority of India Ltd., B.S. City, Bokaro,). An Award of an Arbitrator need to be read as a whole to find out the implication and meaning thereof of the reasons. The Court, however, does not sit in Appeal over the Award.

(b) The interference, where reasons are given would still be less, unless there exists a total perversity and/or the Award is based on a wrong proposition of law.

(c) Even if two views are possible on an interpretation of central clause, that would not be justification in interfering with the Award specially when the view so taken is possible/plausible one (State of U.P. Vs. Allied Constructions,). [G. Ramchandran (Supra)] But the interpretation of the clause which is wholly contrary to law should not be upheld by the Court. [Numaligarh Refinery Ltd. Vs. Daelim Industrial Company Ltd.,]

(d) The jurisdiction of the Court to interfere with an Award made by an Arbitrator is limited, unless there is an error apparent on the face of the Award and/or jurisdictional error and/or legal misconduct. [Numaligarh Refinery Ltd (supra).

(e) The wrong point of law and apparent, improper and incorrect findings of facts which are demonstratable on the face of the material on record, may be treated as grave error and/or legal misconduct.

(g) "From the above decisions, the following principles emerge:

(a) An award, which is

(i) contrary to substantive provisions of law; or

(ii) the provisions of the Arbitration and Conciliation Act, 1996; or or

(iii) against the terms of the respective contract; or

(iv) patently illegal; or

(v) prejudicial to the rights of the parties; is open to interference by the court u/s 34(2) of the Act.

(b) The award could be set aside if it is contrary to:

(a) fundamental policy of Indian law; or

(b) the interest of India; or

(c) justice or morality.

(c) The award could also be set aside if it is so unfair and unreasonable that it shocks the conscience of the court.

(d) It is open to the court to consider whether the award is against the specific terms of contract and if so, interfere with it on the ground that it is patently illegal and opposed to the public policy of India." [Delhi Development Authority Vs. R.S. Sharma and Co., New Delhi,].

In view of above settled principles of law, the judgments cited by the parties in support of their respective submission on law need no further discussion. The facts are totally distinct and distinguishable.

12. The Arbitrator, considering the complaint and material in support of the same by giving full opportunity as contemplated under the Rules, Policy and the Law has rightly held that the disputed domain name (sensex.in) is identical or confusingly similar to a trademark of the complainant (SENSEX) and correctly passed the Award. There are no serious grounds raised by the petitioner in the petition with regard to the merits of the matter as the respondents has placed sufficient material to justify their complaint by establishing their rights which flow from the long use and the registration of trademarks "SENSEX". The factual background/events so recorded above, even in the present petition with regard to the uninterrupted use of the word/mark by the respondent since 1986 remained unchallenged. There is no much dispute that the respondent/complainant has coined the word "SENSEX" and which has become benchmark index of the Indian Capital Market and is extensively reported and in use in international print and electronic media. It has an international reach, name and fame. The respondent/complainant is the registered proprietary of the trademark/service mark "SENSEX" in the United States of America (USA) and India. It has

also got US Registration for the following goods and services:

Sr. No

Trade Mark

Class

Trade Mark number

Goods/services

1

SENSEX

16

2981287

Publications regarding the financial and investment industries, namely periodicals, manuals, brochures, pamphlets and books.

2

SENSEX

36

2981287

Securities exchange services: securities brokerage services; providing financial and investment information and securities trading services via telephone wireless communications and the internet.

13. The respondent has also made application for the "SENSEX" for the services relating to the financial affairs and monetary claims and so also for education and training affairs. The application which was pending at the time of filing of the complaint has now been registered.

14. The petitioner's case that he has registered the domain name "SENSEX.IN" on 16.02.2005 and using the same since then, in my view, also is in no way sufficient to consider the case of the respondent. The submission that there was no objection raised at the time of registration is also not sufficient to overlook the complaint, based upon the above material. The policy/Rules itself provide the procedure for dealing with such situation and the complaint. The respondent has accordingly invoked the same and supported its case. Even the delay in filing the application for registration, even if any, in no way sufficient to dislodge their complaint. Though opportunity was available to apply for the trade name and to obtain the domain name accordingly, yet not applied that itself is not sufficient reason to overlook and discard substantive material in support of respondents coined, long used and registered trade mark name "SENSEX". Even otherwise, that itself is not sufficient for the person like the petitioner to grab and use the

said coined trademark "SENSEX" for his domain name "SENSEX.IN" in bad faith. [Satyam Infoway Ltd. Vs. Sifynet Solutions Pvt. Ltd.,].

15. The use of word "SENSEX" in the domain name as used by the petitioner and as he is doing the similar business and provides similar services in the field of capital markets, definitely cause confusion in the mind of the person/customer/client who is doing the same and similar business through internet. It definitely affects the respondent, its long used well reputed name and trade mark.

16. The learned Counsel tried to raise various grounds on procedural irregularities though not pleaded specifically in the petition. The grounds, if not pleaded specifically, cannot be permitted to raise in such fashion, specially after such a long time and only at the time of final hearing of the petition. We have in Maharashtra Industrial Development Corporation Ltd. Vs. Govardhani Construction Company, , while considering such submission held that "all grounds on which the Award is sought to be set aside have to be taken in the petition itself" by referring to Vastu Investment v. Gujarat Lease Finance Ltd. 2002(Supp) Bom.C.R. 246 : 2001(2) Mh. L.J. 265 and as no specific grounds were raised within limitation such delayed grounds/contentions were not considered. The Apex Court has elaborated and held that the period of limitation prescribed u/s 34 of the Act is mandatory. [Consolidated Engg. Enterprises Vs. Principal Secy. Irrigation Deptt. and Others,]. Therefore, even Petition u/s 34 of the Act, if filed beyond the statutory period of limitation that itself is not entertainable. Therefore, raising of new grounds after statutory period of limitation are also not entertainable.

17. Even otherwise, following procedural irregularities in such institutional arbitration proceedings and specially in the present case, are not sufficient to declare the Award perverse and/or contrary to the law or public policy:

(i) IN Registry (Nixi), no objection was recorded to the appointment of the new Arbitrator as it was done as per the agreed and published Rules as earlier Arbitrator failed to pass Award within the fixed period/time.

(ii) The Arbitrator, as per the Rules, is entitled to pass order by giving personal hearing to the parties as per the Rule itself. Therefore, granting opportunity to parties to appear in no way illegal and/or contrary to the law. It is well within the principle of natural justice. The petitioner cannot raise any objection as their respective counsel appeared and submitted their case before the Tribunal. The Arbitrator gave the petitioner 7 days and thereafter heard the parties through their Advocates. This cannot be said to be a procedural irregularity and/or tantamount to unequal treatment. The acceptance of written arguments before passing of the Award is also cannot be said to be impermissible. The Suit at Pune between the complainant and the third party to the arbitration and to this arbitration proceeding, cannot be considered to decide the complaint against the petitioner .

(iii) The Arbitrator has dealt with the cost and expenses as per the Rules. Some

irregularities, even if any, in no way sufficient to overlook reasoned and valid Award specially when the parties have agreed for the cost and the expenses to be borne by them as per the Rules. The Award cannot be set aside and/or interfered on the ground of costs or expenses. The Arbitrator is entitled to charge fees as per the Rules. So far as the expenses are concerned, it need to be as per the agreed terms and consent of the parties.

(iv) As earlier Arbitrator failed to pass Award, though heard and, therefore, the present Arbitrator, who proceeded by consent of the parties and as per the INDRP Rules cannot be said to have acted in undue haste and contrary to the Rules specially when the Award is well reasoned and as based upon the law as well as the record of the matter.

18. The grounds of irregularities by the Arbitral Tribunal are not vital and not substantiated by any material or elucidatory in nature. Such grounds cannot be entertained after the expiry of the statutory period of filing of Petition u/s 34 of the Act. There is no case of fraud or suppression of vital documents or facts. Admittedly, no trade mark dispute and/or any domain name dispute between the parties was present in any Court. In the present case, as per the Rules, all the necessary and supporting documents and evidence were duly filed and exchanged. The respective counsel accordingly presented the case also. The reasoned award was passed by conducting the arbitration proceedings in accordance with principle of natural justice.

19. There is no perversity, illegality and/or jurisdictional error. The reasoned Award is well within the frame work of law/Rules and the record of the case.

20. In the result, the Petition is dismissed. There shall be no order as to costs.