



WEB COPY



Civil Suit (COMM DIV)No.119 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on	06 / 01 / 2025
Pronounced on	21 / 01 / 2025

CORAM

THE HONOURABLE Mr. JUSTICE P.VELMURUGAN

Civil Suit (COMM DIV)No.119 of 2023

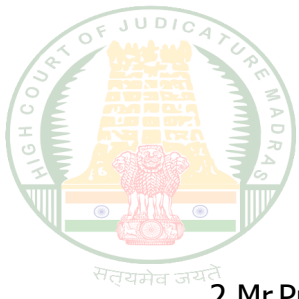
PHONEPE PRIVATE LIMITED
Having its Registered Office at
Office-2, Floor 4, 5, 6, 7, Wing A,
Block A, Salarpuria Softzone Service Road,
Green Glen Layout,
Bellandur, Bangalore South,
Bangalore, Karnataka - 560 103.

Also having its branch office at
No.51/117, Nelson Tower,
Nelson Manickam Road,
Aminjikarai, Chennai - 600 029.
Rep. by its Authorized Signatory Mr.Rahul Kumar ... Plaintiff

(amended as per order dated 14.02.2024 in
Application No.626 of 2024 and time extended
as per order dated 28.02.2024 and 11.03.2024)

Vs.

1. BundlePe Innovations Pvt. Ltd.,
Durga Abason, RA 423,
Nabapally, Pole -02/521,
Sector-IV, Kolkata,
West Bengal - 700 098
Email: care@bundlepe.com; pebundle@gmail.com;
wecare@bundlepegroup.com



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

2.Mr.Prashanta Patra, Director,
BundlePe Innovations Pvt Ltd.,
Durga Abason, RA 423,
Nabapally, Pole - 02/521,
Sector-IV, Kolkata,
West Bengal - 700 098.
Email: care@bundlepe.com; pebundle@gmail.com
wecare@bundlepegroup.com

3.Mr.Suman Kundu, Director,
BundlePe Innovations Pvt Ltd.,
Durga Abason, RA 423,
Nabapally, Pole-02/521,
Sector-IV, Kolkatta,
West Bengal - 700 098.
Email: care@bundlepe.com; pebundle@gmail.com
wecare@bundlepegroup.com

... Defendants

Prayer:-

Civil Suit has been filed under Order VII Rule 1 C.P.C. r/w IV Rule 1 of O.S.Rules and Sections 27, 28, 29, 134 & 135 of the Trade Marks Act, 1999 and Section 7 of the Commercial Courts Act, prays for a judgment and decree against the defendant on the following terms :

(i) To declare the 'PhonePe' Mark as WELL-KNOWN TradeMark under Section 2 (1) (zg) read with Section 11 of the Trade Marks Act, 1999 and issue consequently directions to appropriate authorities;

(ii) To grant permanent injunction restraining the defendants, its proprietor/directors/partners office, dealers, distributors, successors-in-business, servants, agents, employees, representatives and all others persons claiming through or under them from in any manner from infringing the registered trademarks Phonepe of the plaintiff by using the "BundlePe" &



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

"LatePe" marks; and/or any other mark identical and/or deceptively similar mark including the Apps BundlePe <https://play.google.com/store/apps/details?id=com.bundlepe.app&hl=en&gl=US> and Latepe <https://play.google.com/store/apps/details?id=com.latepe.app&hl=en&gl=US> available on Google Play Store platform in any manner whatsoever;

(iii) To grant permanent injunction restraining the defendants, its proprietor/directors/partners office, dealers, distributors, successors-in-business, servants, agents, employees, representatives and all others persons claiming through or under them from in any manner from passing off and/or enabling others to pass off the plaintiff's trademarks PhonePe by using the "BundlePe" & LatePe" marks, and/or any other mark identical and/or deceptively similar mark including the Apps BundlePe <https://play.google.com/store/apps/details?id=com.bundlepe.app&hl=en&gl=US> and Latepe <https://play.google.com/store/apps/details?id=com.latepe.app&hl=en&gl=US> available on Google Play Store platform in any manner whatsoever;

(iv) To grant permanent injunction restraining the defendants its proprietor/directors/partners and officers, dealers, distributors successors-in-business, servants, agents, employees, representatives and all other persons claiming through or under them from in any manner from diluting the distinctive character of plaintiff's registered Trademarks PhonePe or indulging in any activity which takes unfair advantage of plaintiff's goodwill and reputation in plaintiff's registered trademarks or by any activity amounting to unfair trade practice;



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY (v) To grant permanent injunction restraining the defendants, its proprietor/directors/partners officers dealers, distributors, successors-in-business servants, agents, employees, representatives and all other persons claiming through or under them from in any manner using and/or continuing to use the domain name, namely <https://bundlepe.com/> & <https://latepe.in/> or any other domain names which is similar to that of the plaintiff's registered trademarks and domain names of PhonePe.in in any manner whatsoever;

(vi) To grant permanent injunction restraining the defendants, its proprietor/directors/partners and officers, dealers, distributors, successors-in-business, servants, agents, employees, representatives and all other persons claiming through or under them from in any manner passing off the trade dress and/or copying the contents from the plaintiff's domain names/website on the domain names <https://bundlepe.com/> & <https://latepe.in/> and or any other domain names belonging to the defendants 1 to 3.

(vii) Defendant Nos.1 to 3 be ordered and decreed to pay the plaintiff a sum of Rs.10,00,000/- as punitive and compensatory damages for committing acts of infringing of trademark and passing off or such other sum as may be found due and payable by this Court after an account of the profits made by the defendants is rendered.

(viii) To pass a preliminary decree in favour of the plaintiff directing the defendant Nos.1 to 3 for rendition of accounts of sales and profits under the "BundlePe" & "LatePe" marks and a final decree be passed in favour of the plaintiff for the amount of profit found to have been made by the defendants 1 to 3 after such accounts are rendered.



WEB COPY



Civil Suit (COMM DIV)No.119 of 2023

(ii) To award the costs of the suit.

For Plaintiff : Mr.P.Giridharan
For Mr.H.Siddharth

For Defendants : Mr.R.Sathish Kumar

JUDGMENT

The suit is filed under Sections 27, 28, 29, 134, and 135 of the Trade Marks Act, 1999. Since the matter involves the intellectual property rights of the plaintiff, it has been determined to be a commercial dispute and has been taken up for trial by the Commercial Division Court.

2. The plaintiff, PhonePe Private Limited, a company incorporated under the Companies Act, 1956, with its registered office in Mumbai and branch offices across various locations, including Chennai, has filed this suit seeking a declaration that the "PhonePe" mark is a well-known trademark under Section 2(1)(zg) read with Section 11 of the Trade Marks Act, 1999. The plaintiff also seeks an injunction against the defendants for alleged infringement of its trademark "PhonePe" and passing off, along with further reliefs.



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

3. The short facts of the plaint are as follows:-

3.1. The plaintiff, originally incorporated as FX Mart Private Limited, is a leading digital payments platform, having rebranded to PhonePe and launched its services in 2014. The company operates under authorizations granted by the Reserve Bank of India (RBI), initially received on 25.08.2014 for pre-paid payment instruments, with subsequent authorizations and renewals. The plaintiff offers various services, including UPI-based payments, bill payments, and e-commerce transactions, and has over 450 million registered users, holding a substantial market share in UPI transactions.

3.2. PhonePe claims ownership of the "PhonePe" trademark, coined by combining "Phone" with "Pe," where "Pe" is derived from the Hindi word meaning "on." The plaintiff asserts that this mark has been in use since September 2015, and it has registered the mark under several classes of the Trade Marks Act, 1999, including Classes 9, 35, 36, 38, and 42, covering telecommunications, financial services, and e-commerce. In addition to the "PhonePe" mark, the plaintiff has also registered several phonetic variations, including "FonePe" and "PhonePay."



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

3.3. The plaintiff has made significant investments in building its brand and expanding its services across urban and rural India. It has promoted its brand through various marketing efforts, including celebrity endorsements by well-known figures like Aamir Khan and Alia Bhatt. The plaintiff's brand has gained wide recognition and trust in the digital payments sector, currently processing approximately 48% of all UPI transactions in India.

3.4. In early 2023, the plaintiff discovered that the defendants, BundlePe Innovations Pvt Ltd, were using similar brand names, "BundlePe" and "LatePe," to offer competing payment services. The plaintiff alleges that the defendants are using these names to deceive consumers and create a false association with the "PhonePe" brand. The defendants are based in Kolkata, West Bengal, and are led by directors Mr.Prashanta Patra and Mr.Suman Kundu. The plaintiff asserts that the phonetic similarity of "BundlePe" and "LatePe" to "PhonePe" is likely to confuse customers, leading them to believe that the defendants' services are associated with or endorsed by the plaintiff.

3.5. The plaintiff contends that the defendants' use of the marks "BundlePe" and "LatePe" is not only confusingly similar to the plaintiff's



Civil Suit (COMM DIV)No.119 of 2023

trademark but also highlights the "Pe" element in a manner that closely imitates the plaintiff's brand. The plaintiff believes this imitation was done in bad faith, intending to take advantage of the reputation and goodwill associated with PhonePe.

3.6. In March 2023, the plaintiff issued a cease and desist notice to the defendants, demanding that they stop using the infringing marks and remove their applications from the Google Play Store, as well as deactivate the domain names bundlepe.com and latepe.in. However, the defendants did not comply with the notice and continued using the marks, denying any similarity between their marks and PhonePe. Consequently, the plaintiff issued a second notice in March 2023, reiterating its demands, but the defendants persisted with their use of the contested marks, leading to the filing of the present suit.

4. Gist of the written submissions:-

4.1. The defendants, in their written statement, categorically deny all allegations raised in the plaint and submit that the suit is not maintainable either in law or on facts. It is stated that the registered office of the defendants is in Kolkata, while the registered office of the plaintiff is in Mumbai. There is no cause of action in Chennai, and hence, the suit is liable to be dismissed on the grounds of lack of jurisdiction and forum non conveniens.

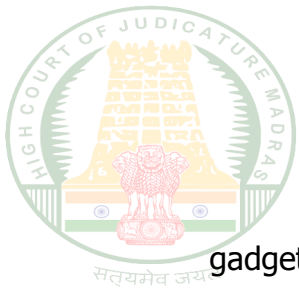


WEB COPY

4.2. The first defendant company, BundlePe, was incorporated on 16th November 2022 following all necessary procedures. The Registrar of Companies carried out all the procedural requirements and issued the incorporation certificate. No objections were raised regarding the name "BundlePe" during this process. As such, the plaintiff's claims concerning the name are without merit.

4.3. BundlePe offers a comprehensive platform to its customers for availing various bill payment and recharge services, including mobile recharge, DTH recharge, Fastag services, cable payments, and utility bill payments such as electricity, landline, piped gas, water, broadband, and credit card bills. Additionally, it allows customers to make financial and tax-related payments, such as loan EMI payments, insurance premiums, municipal taxes, and municipal service challans. Users also have the opportunity to earn cashback offers on each utility and bill payment.

4.4. Unlike the plaintiff's app, PhonePe, the defendants' BundlePe does not provide money transfer services using mobile numbers, bank/UPI IDs, or QR codes. This distinction clearly demonstrates that there is no similarity between the two platforms. Further, BundlePe offers another financial service called LatePe, which provides a pay-later option for purchasing electronic



Civil Suit (COMM DIV)No.119 of 2023

gadgets like headphones, laptops, and mobile phones, allowing users to defer payments. However, the LatePe app is still in its testing phase, with no customers onboarded yet. BundlePe has approximately 1,20,000 customers across India, and this number is growing.

4.5. The plaintiff's suit is primarily based on the use of the Hindi word "Pe," which is not maintainable. The plaintiff has suppressed the fact that their claims regarding the word "Pe" were rejected by the Delhi High Court in C.S.(Comm) 292 of 2019 by order dated 15.04.2021, concerning BharatPe. The plaintiff's appeal against the decision was withdrawn. Similar contentions of the plaintiff have also been rejected by the Bombay High Court. The defendants, therefore, contend that the plaintiff is estopped from raising the same claims in the present suit.

4.6. The defendants assert that the trademark "PhonePe" is generic and does not qualify as a trademark. The mark deserves to be expunged from the Registrar of Trademarks as it lacks distinctiveness. The defendants reserve their right to initiate proceedings for the cancellation of the plaintiff's trademarks. The combination of the words "Phone" and "Pe" is neither unique nor distinctive as alleged by the plaintiff. The plaintiff's explanation that "PhonePe" means "on the phone" contradicts their claim of distinctiveness. In fact, the word "Pe" is merely a misspelling of the word "Pay," which has been



Civil Suit (COMM DIV)No.119 of 2023

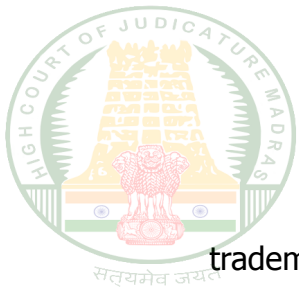
acknowledged by the Delhi High Court in previous proceedings.

WEB COPY

4.7. The plaintiff is attempting to monopolize common words such as "Phone," "Pay," and "Pe" by claiming exclusive rights to their use in different spellings. This is evident from their attempt to register phonetic variants like "Fone" and "Pe." The defendants contend that such monopolization of generic words is impermissible under trademark law. The plaintiff cannot simultaneously claim that "Pe" means "on" or "above" in Hindi and also assert that it is distinctive, as this would make the entire trademark generic and descriptive of the services provided.

4.8. The defendants submit that the plaintiff's suit should be dismissed in its entirety, as the plaintiff has failed to establish the distinctiveness of their mark "PhonePe." The plaintiff's claims are based on common words used in ordinary language and cannot be monopolized. The defendants further submit that there is no basis for the plaintiff's claims in law, and the suit is merely an attempt to stifle competition.

4.9. In light of the above, the defendants pray that the suit be dismissed with costs, as the plaintiff has failed to establish any valid or distinctive rights over the trademark 'PhonePe.' The defendants further reserve the right to initiate proceedings for the cancellation of the plaintiff's



Civil Suit (COMM DIV)No.119 of 2023

trademark.

WEB COPY

5. By order dated 16.11.2023, this Court framed the following issues for trial:

(1) Whether the mark "BundlePe" & "LatePe" is deceptively similar to the plaintiff's registered mark "PhonePe"?

(2) Whether the plaintiff is entitled for permanent injunction against the defendant from infringing the plaintiff's trademark "PhonePe"?

(3) Whether the plaintiff is entitled for permanent injunction against the defendant for passing off?

(4) Whether the plaintiff is entitled to damages of Rs.10,00,000/- against the defendants?

(5) Whether the defendant is liable to render accounts to the plaintiff?

(6) Whether the defendant ought to be permanently enjoined from using the domain name <https://bundlepe.com/> & <https://latepe.in/> and/or any other domain names which is deceptively similar to plaintiff's domain name "phonepe.in"?

(7) Whether the defendant ought to be permanently enjoined from passing off the trade dress or copying the contents from the plaintiff's domain names/website "phonepe.in"?

(8) Whether the plaintiff's PhonePe mark is a well-known mark under Section 2(zg) read with Section 11 of the Trade Marks Act, 1999?

(9) Whether the mark "BundlePe" & "LatePe" dilutes the



Civil Suit (COMM DIV)No.119 of 2023

distinctive character of the plaintiff's mark PhonePe?

WEB COPY

(10) Whether the usage of the word Pe by the defendants infringes the registered mark of the plaintiff ? considering Rule 28 of the Trademark Rules which permits transliteration between Hindi and English?

6. During the course of argument, this Court has framed the additional issue on 16.07.2024:-

"Whether this Court has the jurisdiction to try the present suit?"

7. Before the learned Additional Master - III, High Court, Madras, Mr.Rahul Kumar, Authorized Signatory of the Plaintiff's company was examined as a witness (PW1) on behalf of the plaintiff. He had also filed a proof affidavit, reiterating the pleadings made in the plaint. Through PW1, the following documents were marked as exhibits:-

Ex.P1 is the printout of Incorporation Certificate of the plaintiff dated 18.11.2016 and 13.02.2020.

Ex.P2 is the copy of the Authorization Letter issued by the Reserve Bank of India, dated 09.12.2016 and 23.08.2022.

Ex.P3 is the printout of Master Data extracted from the Ministry of Corporate Affairs of Defendant No.1

Ex.P4 is the printout of the Extract of Domain name of Defendant No.1 from Whois Database.



WEB COPY



Civil Suit (COMM DIV)No.119 of 2023

Ex.P5 is the photocopies of Certificate of Registration of Trademark of the plaintiff dated 06.09.2022

Ex.P6 is the Truecopy of List of Plaintiff's Active Marks Status Report as on 11.11.2022.

Ex.P7 is the true copy of List of Domain Names owned by the plaintiff.

Ex.P8 is the printout of the Extract from Plaintiff's Website reflecting Offline Merchant Partners and Brand Partners dated 09.03.202.

Ex.P9 is the printout of Extract of the Plaintiff's Account on Social Media Platforms.

Ex.P10 is the printout of News Articles showing the goodwill, growth and reputation of the plaintiff.

Ex.P11 is the printout of the Details of Registered users of the plaintiff along with market share of the plaintiff for Q4-22.

Ex.P12 is the printout of the Awards and Accolades received by the plaintiff.

Ex.P13 is the printout of Extract of Websites of Defendant No.1 showing use of "Bundle Pe and "LatePe" Marks.

Ex.P14 is the printout of Trademark Application for the "Bundle Pe" Marks filed by Defendant No.1

Ex.P15 is the printout of 1st Cease and Desist Notice sent by the plaintiff's advocate to the Defendant Nos.1, 2 and 3, dated 07.03.2023.

Ex.P16 is the printout of 2nd Cease Desist Notice sent by the plaintiff's advocate to the Defendant Nos.1, 2 and



Civil Suit (COMM DIV)No.119 of 2023

3, dated 28.03.2023.

WEB COPY

Ex.P17 is the printout of Reply issued by counsel for Defendant Nos.1, 2 and 3 dated 12.04.2023.

Ex.P18 is the printout of Data taken from National Payment Corporation of India (NPCI) showing the transaction volume of the plaintiff April 2023.

Ex.P19 is the printout of Screenshots showing the listing of Defendant' No.1's app and downlads taken from Google Play Store.

Ex.P20 is the printout of Plaintiff's Registered Trademarks and Domain names.

Ex.P21 is the printout of Defendant No.1 "Bundle Pe' and LatePe" Mark and Domain names.

Ex.P22 is the original Board Resolution dated 20.12.2023.

Ex.P23 is the Photocopy of the Certificate of Chartered Accountant certifying Marketing expenditure and turnover of the Plaintiff's Company dated 13.05.2023.

On the side of the defendants, no one was examined, and the communication received from the Registrar of Trade Marks, Chennai, dated 01.02.2017, and the plaintiff's application dated 20.07.2017 were marked through P.W.1 as Ex.D1.

8. Submissions of the plaintiff.

8.1. The learned counsel for the plaintiff contends that the



Civil Suit (COMM DIV)No.119 of 2023

"PhonePe" trademarks are a combination of two words: "Phone" and "Pe."

WEB COPY

The word "Pe" is not a dictionary word and does not exist in the English language. It was adopted as a unique source identifier by the plaintiff, forming a common formative element across all its marks. The distinctive spelling (in English) and capitalization of "Pe" confer inherent distinctiveness, making it automatically entitled to protection as an essential feature of the "PhonePe" trademarks. These marks are suggestive, if not arbitrary or fanciful. Even otherwise, due to extensive, continuous, and uninterrupted use, "PhonePe" has acquired distinctiveness. The learned counsel asserts that the plaintiff was the first to coin the combination of "Phone" and "Pe" and has obtained trademark registrations for various "PhonePe" marks. The plaintiff also holds trademarks in phonetic variations like "FonePay" and "FonePe," as well as in dissimilar marks such as "CardPe" and "StorePe," all incorporating the "Pe" element.

8.2. The learned counsel further asserts that the word "Pe," a transliteration of a Hindi word, is the prominent and dominant component of "PhonePe." Due to extensive promotion, the public associates the pronunciation of "PhonePe" with the Hindi word "Pe." Visually, the plaintiff's logo, used alongside the "PhonePe" trademark, leaves no doubt that the two are synonymous.



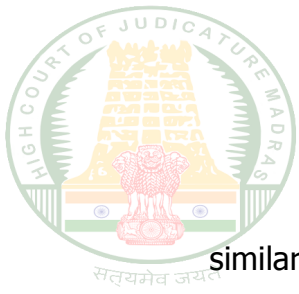
Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

8.3. The learned counsel highlights that the defendant's marks, "BundlePe" and "LatePe," are deceptively similar to the plaintiff's marks. The defendant offers services similar to the plaintiff's in the same field of activity. Although the defendant has stopped using the infringing apps, the counsel contends that the defendant's use of the marks "BundlePe" and "LatePe" is clearly a strategic attempt to copy the plaintiff's trademarks, engaging in unfair competition. The delisting of the app after the lawsuit demonstrates the defendant's intent to take unfair advantage of the plaintiff's reputation and goodwill.

8.4. The learned counsel argues that the plaintiff has established a prima facie case of passing off, as the use of "BundlePe" and "LatePe" would deceive consumers into believing that the defendant's services are connected with the plaintiff's business. The plaintiff's "PhonePe" mark, in use since 2015, has acquired substantial goodwill, while the defendant's services under "BundlePe" and "LatePe" were only launched in 2022/2023. The field of activity, mobile and internet-based payment services, remains the same.

8.5. The learned counsel points out that the defendant has capitalized the "P" in "Pe," just as the plaintiff has done, further emphasizing the

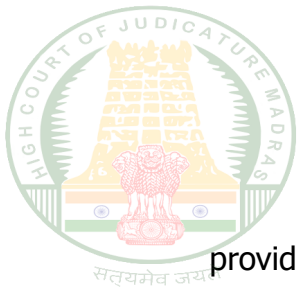


Civil Suit (COMM DIV)No.119 of 2023

similarity. The plaintiff's turnover has dramatically increased, rising to 6800 crores in recent years, highlighting the commercial motive behind the defendant's use of deceptively similar marks. The learned counsel submits that the plaintiff need not prove exact damages since the goodwill and misrepresentation are clear. Referring to various judgments, including **Laxmikant V. Patel v. Chetanbhai Shah**, the learned counsel argues that the plaintiff is entitled to damages of Rs. 10,00,000 for the infringement.

8.6. The learned counsel also contends that the plaintiff holds several domain names containing "PhonePe" and argues that the dominant "Pe" element, even when registered in Devanagari script, deserves equal protection. As the defendant has not challenged the validity of the trademarks, the statutory assumption that the trademarks are valid must be accepted. The learned counsel refers to judgments such as **PEPS Industries Private Limited v. Kurlon Limited** to support the argument that once a prima facie case of infringement is established, an injunction must follow.

8.7. The learned counsel further submits that the plaintiff is the registered proprietor of the trademark "PhonePe," and its statutory rights must be protected. The end services are for users in the UPI business, and once a prima facie case of trademark infringement is established, an injunction must normally follow. Since the plaintiff is the largest UPI service



Civil Suit (COMM DIV)No.119 of 2023

provider in India with more than 30 crore users, there is no doubt that the plaintiff will suffer if the defendants are not restrained from using the infringing mark "BundlePe."

8.8. Additionally, if the defendants are restrained from using the mark "BundlePe," the first defendant may not lose business, considering that the app is no longer in use and the website has less than 1 lakh users. Having regard to the plaintiff's exclusive right to use the mark and weighing various factors, as well as the balance of convenience, the plaintiff is entitled to protection. Otherwise, the use of such a mark would amount to the defendants taking unfair advantage of the plaintiff's reputation and would be detrimental to the plaintiff's registered trademark.

8.9. The mark "PhonePe" has also acquired a secondary meaning, as it has become common parlance for the public to use the plaintiff's mark to indicate that they are performing a UPI transaction. Since "PhonePe" has become a source identifier for UPI transactions, it is entitled to protection, as established in **Godfrey Philips India Ltd. v. Girnar Food & Beverages (P) Ltd.** [2004 (5) SCC 257]. As the mark "PhonePe" is popularly known, the action of the defendants is unfair competition, which deserves protection. In **Giorgio Armani v. Banjara Hills** [CS (Comm) 708/2018], the court held that marks that have become a source identifier must be protected.

In light of the above, the learned counsel prays for a decree in favor of



Civil Suit (COMM DIV)No.119 of 2023

the plaintiff.

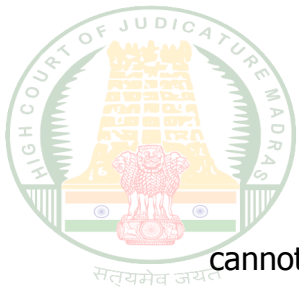
WEB COPY

9. Submissions of the learned counsel appearing for the defendants.

9.1. The learned counsel for the defendants contends that the suit is not maintainable in law or on facts, as the registered office of the defendants is located in Kolkata, while the plaintiff's registered office is in Mumbai. The learned counsel asserts that there is no cause of action that arises in Chennai, rendering the suit liable for dismissal on the grounds of lack of jurisdiction and forum non conveniens.

9.2. The learned counsel for the defendants asserts that the defendant's corporate name "BundlePe" is duly registered, with the company established in 2022. Accordingly, the plaintiff is barred from questioning the validity of this corporate name. The learned counsel firmly denies that the plaintiff has used "Pe" as a unique identification element of its trademarks. It is emphasized that "Phone" and "Pay" are common terms used in the industry, and the plaintiff's attempt to monopolize these ordinary descriptors is both legally impermissible and unjustified.

9.3. Furthermore, the learned counsel contends that the plaintiff



Civil Suit (COMM DIV)No.119 of 2023

cannot claim exclusive rights over "Pe," as it is a word found in the Hindi dictionary and lacks distinctiveness. The plaintiff's assertions regarding the uniqueness of "Pe" are unfounded, and the counsel highlights the absence of material evidence to prove that the trademark has acquired a distinctive meaning. The frequent use of phrases like "Phone Pe Kardo/Lo" underscores the descriptiveness of the term rather than any claim of distinctiveness. Thus, the argument that "PhonePe" can be deemed distinctive, arbitrary, or fanciful is thoroughly refuted.

9.4. The learned counsel also emphasizes that the defendant's business is exclusively focused on recharge and bill payments, which is functionally different from the plaintiff's broader range of payment services. The defendants assert that they have successfully onboarded approximately 120,000 merchants across India for their "BundlePe" app, which exclusively offers utility services related to recharge and bill payments. They dispute the plaintiff's claims of being the number one financial app in the app store or achieving over 10 million downloads, attributing the plaintiff's prominence as a UPI transactions driver to its extensive customer base with varied daily needs.

9.5. The learned counsel argues that the plaintiff's assertion that "PhonePe" has become a household name in India is baseless and primarily



Civil Suit (COMM DIV)No.119 of 2023

the result of significant advertising efforts rather than any inherent distinctiveness. The defendants maintain that "BundlePe" is phonetically, visually, and structurally distinct from "PhonePe." They contend that the defendants are not capitalizing on the plaintiff's trademark reputation, and the claims of unfair competition lack merit.

9.6. Moreover, the learned counsel denies that "PhonePe" has been in continuous use since 2015. The suit is characterized as a strategic maneuver to suppress competition and deter any entity from using the term "Pe." It is highly presumptive for the plaintiff to assert that it is synonymous with payment or financial services, given the presence of numerous other providers in the market, such as Google Pay, Paytm, Apple Pay, Samsung Pay, and Amazon Pay. The claim that "payment and financial-related services via mobile phone" suggests that the trademark "PhonePe" derives directly from these services' description further demonstrates its generic nature.

9.7. The learned counsel highlights that the plaintiff's filings in multiple high courts illustrate an attempt to secure ex parte orders to stifle competition. The merger of "Phone" and "Pe" cannot be deemed distinctive for the reasons stated, and therefore the plaintiff's registration should be annulled. The learned counsel emphatically denies that the use of "BundlePe" and "LatePe" would create public confusion. The distinctive prefixes "Bundle"



Civil Suit (COMM DIV)No.119 of 2023

and "Late" clearly differentiate the defendants' services, and the counsel argues there is no basis for assuming consumer confusion regarding the origin and source of the goods offered by both parties.

9.8. Furthermore, it is deemed implausible to suggest that "BundlePe," "LatePe," and "PhonePe" can be used interchangeably or are similar. The learned counsel stresses that the plaintiff's claims of goodwill and reputation cannot be equated with mere turnover, as various apps, including the defendants', maintain distinct customer bases for a variety of reasons. The defendants assert that "Pe" serves as a synonym for "Pay" in English, directly relating to the services provided by their apps. The unique prefix "Bundle" serves to further differentiate the defendants' offerings, and the counsel firmly states that the plaintiff cannot lay claim to a monopoly over the use of the word "Pe."

9.9. The defendants have not utilized the Hindi representation of "Pe" and affirm their commitment not to do so until the suit is resolved. Moreover, the defendants seek permission to file an application to rectify the trademark "Pe" written in Hindi, maintaining that the plaintiff's registration effectively undermines their claims, as "PhonePe" fundamentally translates to "on the phone," as acknowledged by the plaintiff.



Civil Suit (COMM DIV)No.119 of 2023

9.10. All allegations made by the plaintiff against the defendants regarding misleading consumers and damaging the plaintiff's reputation are categorically rejected. The plaintiff is required to provide substantial evidence to support these claims. In light of the foregoing, the learned counsel for the defendants respectfully prays for the dismissal of the suit.

10. In reply, the learned counsel for the plaintiff asserts that the maintainability of the suit is well-founded due to several key factors. First, the defendants are actively conducting their business in Chennai and are offering their services to customers within this jurisdiction. Their applications and website are interactive platforms that can be accessed by any individual in Chennai, allowing for seamless transactions. Additionally, the defendants' mobile applications and websites are freely downloadable from popular platforms such as the Play Store and App Store, which facilitates their commercial exploitation in Chennai. Notably, it has been established that transactions involving the "BundlePe" and "LatePe" applications were accessed within the jurisdiction of this Court. This is evidenced by a specific transaction conducted using Phone Number 8148845884 at the address Chennai 600 001. The learned counsel further emphasizes that the plaintiff has made specific pleadings and submitted documentation substantiating the interactive nature of the defendants' platforms, highlighting their targeted marketing efforts aimed at consumers in Chennai. As such, the cause of action, or parts thereof,



Civil Suit (COMM DIV)No.119 of 2023

can be appropriately attributed to activities occurring within this jurisdiction.

WEB COPY

Moreover, under Section 134(2) of the Trade Marks Act, a suit may be instituted in the courts within the local limits of whose jurisdiction the plaintiff, at the time of the suit's institution, actually and voluntarily resides, carries on business, or personally works for gain. Thus, according to Section 134(1) of the Act, the plaintiff has the option to file the suit not only where the alleged infringement occurred or the cause of action arose but also in the courts where the plaintiff resides or carries on business, even if no wrong has occurred or cause of action has arisen in that court. Given that the plaintiff maintains a branch office in Chennai, the current suit is maintainable, and this Court possesses the necessary territorial jurisdiction to adjudicate the matter.

11. Heard the learned counsel on either side and perused the materials available on record.

12. Since this Court, on 16.07.2024, framed the additional issue regarding jurisdiction, the Court first answers the additional issue as follows:

12.1. According to the defendants, the suit is not maintainable in Chennai, as their registered office is in Kolkata and the plaintiff's registered office is in Mumbai, asserting that no cause of action arises in Chennai. However, upon a careful perusal of the records, it is evident that the defendants are actively conducting their business in Chennai. The plaintiff has



Civil Suit (COMM DIV)No.119 of 2023

produced substantial evidence, including specific transaction records, such as one involving phone number 8148845884 at an address in Chennai (600 001), which demonstrates that the defendants' applications "BundlePe" and "LatePe" have been accessed within this jurisdiction. Further, Exhibit P19, which details multiple transactions in Chennai, reinforces the claim that the defendants are indeed doing business within this jurisdiction. Moreover, the defendants' mobile applications and websites are interactive platforms that can be accessed by users in Chennai, further supporting the contention that they are actively engaging in business operations in this jurisdiction. Additionally, the plaintiff has a branch office in Chennai, and thus, the suit is maintainable before this Court. Furthermore, Section 134(1) of the Trade Marks Act provides that a suit can be filed not only where the alleged infringement occurred but also where the plaintiff resides or conducts business. As the plaintiff operates in Chennai, the suit is properly filed in this jurisdiction. In light of the above, this Court holds that part of the cause of action arises within Chennai, and as such, the suit is maintainable before this Court.

13. Issue No.(1) Whether the mark "BundlePe" & "LatePe" is deceptively similar to the plaintiff's registered mark "PhonePe"?

13.1. The plaintiff contends that the marks "BundlePe" and

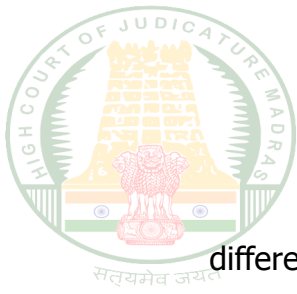


Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

"LatePe" are deceptively similar to its registered mark "PhonePe" because the word "Pe" is a distinctive and unique element that the plaintiff has used extensively in its trademark. The plaintiff argues that "Pe" is not a generic word and does not exist in the English language, thus making it a strong identifier of the plaintiff's brand. Due to its extensive use, the word "Pe" has acquired a secondary meaning, and the public has come to associate it with the plaintiff's payment services. The plaintiff further submits that the defendant's marks are visually, phonetically, and conceptually similar to "PhonePe," especially because they share the same "Pe" element. Given the plaintiff's extensive market presence and goodwill in the mobile payment industry, the plaintiff believes that the defendant's marks could lead to consumer confusion, with consumers potentially assuming that the services offered under "BundlePe" and "LatePe" are connected with or endorsed by the plaintiff.

13.2. On the other hand, the defendant argues that the marks "BundlePe" and "LatePe" are not deceptively similar to "PhonePe." The defendant submits that the word "Pe" is common in the payment services industry and is a transliteration of the Hindi word "Pay", which is widely used by other companies such as Google Pay, Paytm, and Apple Pay. The defendant further contends that "BundlePe" and "LatePe" are sufficiently distinct from "PhonePe" due to the prefixes "Bundle" and "Late" used in their marks, which



Civil Suit (COMM DIV)No.119 of 2023

differentiate the marks both visually and conceptually. The defendant also asserts that the plaintiff cannot claim exclusive rights over the use of "Pe" since it is a generic term, and there is no evidence of actual consumer confusion. The defendant highlights that the plaintiff's claim of the marks being confusingly similar is based on an assumption and not on actual market conditions. The defendant denies that they are attempting to ride on the plaintiff's goodwill and points out that their services, which focus on recharge and bill payments, are distinct from the plaintiff's broader payment services.

13.3. In this case, the core issue is whether the marks "BundlePe" and "LatePe" are deceptively similar to the plaintiff's registered mark "PhonePe" and whether they are likely to cause consumer confusion. The primary concern revolves around the distinctiveness of the term "Pe" and its potential to create a mistaken association between the plaintiff's and defendant's services. First, the term "Pe" is not as unique or distinctive as the plaintiff claims. The defendant has pointed out that "Pe" is commonly used in the payment services industry and is a transliteration of the Hindi word "Pay," which is widely used by other prominent companies such as Google Pay, Paytm, and Apple Pay. Given the widespread use of "Pe" in the payment sector, it cannot be exclusively associated with the plaintiff. The plaintiff's claim that "Pe" has acquired secondary meaning is therefore questionable, as this term has not been uniquely tied to the plaintiff's brand in the broader



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

market. Furthermore, the prefixes used in the defendant's marks "Bundle" and "Late" introduce significant distinctions that differentiate these marks from "PhonePe." The prefix "Bundle" implies a package of services, and "Late" has no conceptual or phonetic similarity to "PhonePe." These differences are not just superficial; they create distinct brand identities that are unlikely to confuse consumers. Additionally, the defendant has pointed out that there is no evidence of actual consumer confusion. The plaintiff's argument is based on theoretical risk, but without tangible proof of confusion in the marketplace, this claim lacks substantial merit. The defendant's focus on recharge and bill payment services is also different from the broader payment services provided by the plaintiff, which further minimizes the likelihood of confusion. Thus, after considering all arguments, the Court is likely to find that "BundlePe" and "LatePe" are not deceptively similar to "PhonePe." The use of "Pe," a common term in the payment industry, along with the significant differences in the marks' prefixes and the distinct nature of the defendant's services, undermines the plaintiff's argument of consumer confusion. In conclusion, the defendant's marks do not infringe upon the plaintiff's trademark and the marks "BundlePe" and "LatePe" are sufficiently distinct, and there is no likelihood of consumer confusion between these marks and "PhonePe." and hence, the issue is answered against the plaintiff.



WEB COPY



Civil Suit (COMM DIV)No.119 of 2023

14. ***Issue 2: Whether the plaintiff is entitled to a permanent injunction against the defendant from infringing the plaintiff's trademark "PhonePe"?***

14.1. The plaintiff seeks a permanent injunction to restrain the defendants from using the marks "BundlePe" and "LatePe," arguing that the defendants' use of the "Pe" suffix infringes the plaintiff's rights and creates confusion in the marketplace. The defendants contend that there is no infringement of the Plaintiff's trademark. Since the marks "BundlePe" and "LatePe" are not deceptively similar to "PhonePe," no grounds for an injunction exist. Furthermore, the defendant asserts that the Plaintiff has failed to establish that its trademark is well-known or has acquired significant distinctiveness in a manner that justifies exclusivity over the use of common terms like "Pe."

14.2. As answered in Issue (i), the marks "BundlePe" and "LatePe" are not deceptively similar to "PhonePe." The plaintiff has failed to prove that the defendants' marks are likely to cause confusion or deception. Moreover, the plaintiff's reliance on the "Pe" suffix is not sufficient to establish exclusive rights over the use of a common word. The Court also finds that the plaintiff has not sufficiently demonstrated that its trademark has acquired such distinctiveness to merit exclusive rights to the term "Pe" or that it is widely



Civil Suit (COMM DIV)No.119 of 2023

recognized across all sectors where the term "Pe" is used in branding. The defendants' services differ significantly from the plaintiff's offerings, and the Court has already determined that the marks in question are distinguishable. Considering the lack of consumer confusion or actual harm to the plaintiff's business, the court finds that the plaintiff has not established a case for trademark infringement. The evidence produced fails to demonstrate that the defendant's actions have caused substantial harm or confusion in the marketplace. Hence, the plaintiff is not entitled to a permanent injunction.

15. Issue 3: Whether the plaintiff is entitled to a permanent injunction against the Defendant for passing off?

15.1. The plaintiff contends that the defendants' use of similar marks amounts to passing off, as it is likely to deceive consumers into believing there is an association between the plaintiff and the defendants. Per contra, the defendants argue that there is no evidence of passing off. It is further submitted that they have not misrepresented their goods or services in a manner that would cause the public to believe they are associated with or endorsed by the plaintiff.



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY 15.2. The plaintiff has failed to demonstrate that the mark "PhonePe" is so uniquely associated with their specific range of services that any use of the word "Pe" by others would cause a misrepresentation. The plaintiff's argument that the defendant's use of "Pe" amounts to passing off is weakened by the common use of this suffix in the digital payment industry. Further, there is no evidence that the defendants are attempting to pass off their services as those of the plaintiff. The services offered by the defendants, namely utility bill payments and recharges, are distinct from those of the plaintiff. The plaintiff has not provided concrete evidence of harm or confusion caused by the defendant's actions that would justify a passing off claim. As such, the plaintiff has not established any grounds for a passing off claim, and therefore, the issue is also answered against the plaintiff.

16. Issue 4: Whether the plaintiff is entitled to damages of Rs.10,00,000/- against the defendant?

16.1. The plaintiff seeks damages for the harm caused to its reputation and business due to the defendant's alleged infringement and passing off. The defendants argue that no damages are due to the plaintiff as there has been no infringement or passing off and the plaintiff has failed to show any actual loss attributable to the defendants' actions.



WEB COPY

16.2. The plaintiff has not provided sufficient evidence of any financial loss suffered as a result of the defendant's actions. The plaintiff has not demonstrated that the defendant's use of the marks has caused any tangible harm to its business or goodwill. Hence, the plaintiff's claim for damages appears speculative and lacks the necessary financial proof to support the amount requested. Since the plaintiff has not established that it has suffered actual harm or loss, the plaintiff is not entitled to any damages.

17. Issue 5: Whether the defendant is liable to render accounts to the plaintiff?

17.1. The plaintiff claims that, due to the infringement and passing off by the defendants, they should account for any profits gained from the unauthorized use of marks that allegedly replicate the plaintiff's well-known brand, 'PhonePe,' through the use of the allegedly infringing marks 'BundlePe' and 'LatePe.' However, the defendants argue that there is no basis for the plaintiff to demand an account of profits, as no infringement or passing off has been proved. As held in Issues 1 and 2, the marks "BundlePe" and "LatePe" are not deceptively similar to the plaintiff's registered mark "PhonePe," and there is no evidence of any consumer confusion, deception, or harm caused by the defendant's use of these marks. The defendants



Civil Suit (COMM DIV)No.119 of 2023

further assert that they have not made any profits from the allegedly infringing marks that would require them to render accounts.

17.2. Under Section 135 of the Trade Marks Act, 1999, a person found guilty of infringing a registered trademark is liable to render accounts of the profits derived from the infringement. However, this remedy is typically granted when the plaintiff proves the existence of infringement or passing off, and that the defendant has derived profits directly from such infringement. The Court, in Issue No.1, has already concluded that the marks "BundlePe" and "LatePe" are not deceptively similar to the plaintiff's registered mark "PhonePe." Therefore, the plaintiff has failed to establish any infringement of its trademark rights. Since the basis for the request for accounts trademark infringement does not stand, there is no legal ground for the plaintiff to claim any profits or gains derived by the defendants through the use of these marks. Similarly, in Issue No.3, the Court determined that the plaintiff has not proved the necessary elements for a passing off action. There is no evidence that the defendants' use of "BundlePe" or "LatePe" has caused any misrepresentation or confusion among consumers, or that consumers have been misled into believing that the defendant's services are associated with the plaintiff. In the absence of passing off, there is no justification for the defendant to be ordered to render accounts for profits. Considering that no infringement of the plaintiff's trademark has been established (as determined



Civil Suit (COMM DIV)No.119 of 2023

in Issue 1), no passing off has been proved (as determined in Issue 3), the plaintiff has not presented any evidence of profits derived by the defendants from the use of the allegedly infringing marks, and no actual financial harm or loss has been substantiated, the plaintiff is not entitled to an order requiring the defendant to render accounts of any profits. Hence, the defendant is not liable to render accounts to the plaintiff.

18. Issue 6: Whether the defendant ought to be permanently enjoined from using the domain names <https://bundlepe.com/> & <https://latepe.in/> and/or any other domain names which is deceptively similar to Plaintiff's domain name "phonepe.in"?

18.1. The plaintiff claims that the defendants' use of the domain names '<https://bundlepe.com/>' and '<https://latepe.in/>', as well as any other domain names that may be deceptively similar to the plaintiff's domain name 'phonepe.in,' is misleading and infringes upon its registered trademark 'PhonePe.'"

18.1 According to the plaintiff, the similarity between "PhonePe" and the defendants' domain names could cause consumer confusion, harm the plaintiff's brand, and damage its goodwill. The plaintiff argues that the use of the term "Pe" in both the plaintiff's and defendants' domain names increases



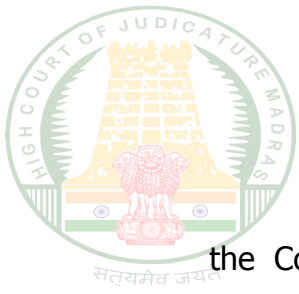
Civil Suit (COMM DIV)No.119 of 2023

the likelihood of such confusion and seeks an injunction to prevent the defendants from using any domain names that might be perceived as associated with the plaintiff.

18.2. The defendants, however, contend that their domain names "https://bundlepe.com/" and "https://latepe.in/" do not infringe upon the plaintiff's trademark or domain name. They assert that the domain names are entirely distinct from "phonepe.in" and do not create any likelihood of confusion among consumers. The defendants argue that they have independently registered these domain names and are entitled to use them for their business activities. They maintain that the addition of the words "Bundle" and "Late" makes their domain names sufficiently different from "PhonePe" to prevent any consumer confusion.

18.3. The core issue in this case is whether the defendants' domain names are "deceptively similar" to the Plaintiff's trademark "PhonePe," which would warrant an injunction.

18.4. The plaintiff's domain name "phonepe.in" is closely related to its trademark "PhonePe." The defendants' domain names, however, include the terms "Bundle" and "Late," which are distinct from the plaintiff's brand. While the term "Pe" appears in both the plaintiff's and defendants' domain names,



Civil Suit (COMM DIV)No.119 of 2023

the Court observed that "Pe" is a common suffix in the digital payment industry and does not, on its own, create confusion. The inclusion of the words "Bundle" and "Late" in the defendants' domain names makes them visually and phonetically different from "PhonePe."

18.5. The Plaintiff must demonstrate that the defendants' domain names have caused, or are likely to cause, confusion among consumers. However, the plaintiff did not provide substantial evidence to show that consumers were actually confused or misled by the defendants' domain names. There were no consumer complaints or evidence of lost business due to the defendants' domain names. In the absence of such evidence, the Court found no justification for granting an injunction.

18.6. It is also to be noted that the terms 'Bundle' and 'Late' in the defendants' domain names appear to describe the nature of their services, such as offering bill payments or late payment options. These descriptive terms differentiate the defendants' services from the plaintiff's services, which are focused on UPI-based payments and other financial services. This distinction further reduces the likelihood of confusion between the plaintiff's and defendants' domain names. Additionally, there is no evidence of actual confusion or harm to the plaintiff's brand. In light of these considerations, the plaintiff is not entitled to a permanent injunction restraining the defendants from using the domain names in question.



WEB COPY

19. ***Issue No. 7 : Whether the defendant ought to be permanently enjoined from passing off the trade dress or copying the contents from the Plaintiff's domain names/website "phonepe.in"?***

According to the plaintiff, the defendants are copying their website design, layout, and content, causing confusion among consumers who may believe the defendants' services are connected to the plaintiff. Therefore, the plaintiff seeks a permanent injunction to stop the defendants from copying the trade dress and content of their website. However, the defendants deny these claims, asserting that their website and business are distinct from the plaintiff's, and they have developed their own layout and design independently. It is important to note that although both websites are in the payment industry, the design and layout are not similar enough to cause confusion. The plaintiff has not provided specific examples of copied content or evidence of consumer confusion. Without proof of harm or confusion, the plaintiff is not entitled to any injunction, as there is no substantial evidence of passing off.

20. ***Issue No. 8: Whether the Plaintiff's PhonePe mark is a well-known mark under Section 2(zg) read with Section 11 of the Trade Marks Act, 1999?***



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

In this case, the plaintiff's claim that "PhonePe" qualifies as a well-known mark under Section 2(zg) and seeks protection under Section 11 of the Trade Marks Act, 1999. The issue at hand revolves around the deceptive similarity of the "PhonePe" mark to other marks, rather than focusing solely on its status as a well-known mark. Section 11 protects well-known marks from the registration of similar marks that might cause confusion or harm their reputation. However, "PhonePe" is not deceptively similar to other marks like "BundlePe" or "LatePe" or any other mark with the "Pe" suffix. The use of "Pe" as a suffix in the digital payment sector is quite common (e.g., Paytm, Google Pay), which weakens the distinctiveness of the "PhonePe" mark. This widespread use of the "Pe" suffix diminishes the likelihood of confusion between PhonePe and other marks. The presence of the suffix "Pe" is not unique to the Plaintiff's mark and is used by multiple brands in the industry, reducing the chances of deceptive similarity. Even if a mark is considered well-known under Section 2(zg), Section 11 protects against unfair advantage or dilution. However, given that "PhonePe" is not deceptively similar to other marks and the "Pe" suffix is commonly used, there is no real danger of unfair advantage or harm to the reputation of "PhonePe" in this case. The plaintiff's claim does not meet the standard of showing how the use of other "Pe"-suffixed marks would damage the distinctiveness or reputation of "PhonePe." Based on the above reasons, the plaintiff's claim that "PhonePe"



Civil Suit (COMM DIV)No.119 of 2023

should be considered a well-known mark and afforded protection under

Section 11 of the Trade Marks Act should be rejected. The marks in question are not deceptively similar, and the use of "Pe" in the digital payment industry is common, diminishing any risk of confusion or harm to the reputation of "PhonePe." Therefore, the Court need not consider the plaintiff's mark as a well-known mark under Section 2(zg) and should reject the request for protection under Section 11. Accordingly, the issue is answered against the plaintiff.

21. Issue No. 9: Whether the mark "BundlePe" & "LatePe" dilutes the distinctive character of the Plaintiff's mark "PhonePe"?

21.1. The plaintiff claims that the defendants' use of "BundlePe" and "LatePe" dilutes the distinctive character of its "PhonePe" mark. The plaintiff argues that the use of "Pe" in both the defendant's marks and its own is likely to tarnish the distinctive nature of "PhonePe," particularly since the plaintiff's mark is widely recognized and associated with digital payments in India. The plaintiff contends that this dilution will weaken the plaintiff's exclusive rights to its mark. The defendants argue that there is no dilution of the plaintiff's mark. They assert that "PhonePe" and the defendant's marks are not similar enough to cause any dilution. The defendants contend that



Civil Suit (COMM DIV)No.119 of 2023

"Pe" is a common element used in several other trademarks in the digital payments sector and is not unique to the Plaintiff's mark. The defendants further argue that the addition of different prefixes such as "Bundle" and "Late" in their marks differentiates them sufficiently from the Plaintiff's mark.

21.2. Dilution occurs when the distinctiveness of a well-known mark is weakened due to the use of similar marks in unrelated goods or services. In this case, the Court must examine whether the similarity between the plaintiff's and defendants' marks is likely to erode the distinctiveness of the plaintiff's mark in the public's perception. The Court finds that while the marks share the element "Pe," the overall impression created by the marks "BundlePe" and "LatePe" is sufficiently distinct. The defendants' marks are not identical to "PhonePe" and serve different business purposes (e.g., bill payments, pay-later services). Given that the marks are used in different contexts and that "Pe" is a commonly used suffix in the payments industry, the Court does not find sufficient evidence that the defendant's marks will dilute the distinctiveness of "PhonePe." The Court concludes that the use of "BundlePe" and "LatePe" does not dilute the distinctive character of the plaintiff's mark "PhonePe," as the marks are not likely to cause confusion or weaken the public's association of "PhonePe" with the plaintiff.



WEB COPY

22. Issue No.10: Whether the usage of the word *Pe* by the defendants infringes the registered mark of the plaintiff ? considering Rule 28 of the Trademark Rules which permits transliteration between Hindi and English?

22.1. Before delving into the issue, it would be useful to extract Rule 28 of the Trade Marks Rules, 2017.

28. Transliteration and Translation - Where a Trade mark contains one or more words or numbers in scripts other than Hindi or English, the applicant shall provide in the application, a precise transliteration and translation of each such word and number in English or in Hindi and state the language to which the word(s) or number(s) belongs.

Rule 28 of the Trade Marks Rules, 2002, allows the transliteration of words between Hindi and English, facilitating the representation of words in both scripts. In this case, "Pe" is a transliteration of the Hindi word "Pay," which translates to "Pay" in English. The term "Pay" is a generic term widely used in the payment services industry to describe the core function of such services. Therefore, the mere use of "Pe" by the defendants, which is derived from the common Hindi word for "Pay," does not constitute an infringement of the Plaintiff's registered trademark. "Pe" is not an inherently distinctive or



Civil Suit (COMM DIV)No.119 of 2023

arbitrary element. It is commonly used in the payment services industry, with many other companies such as "Google Pay," "Paytm," and "Apple Pay" using similar terms. Given its descriptive nature, "Pe" cannot be claimed exclusively by the plaintiff. The defendants' usage of "Pe" in "BundlePe" and "LatePe" should be seen as part of the general vocabulary used in the payment sector, and as such, it cannot be protected as a distinctive trademark element. The use of "Pe" by the defendants is unlikely to cause consumer confusion. The defendants' marks, "BundlePe" and "LatePe," are visually and conceptually distinct from "PhonePe," especially because of the different prefixes ("Bundle" and "Late"). Moreover, the plaintiff's mark "PhonePe" is registered with a different meaning and usage than the defendants' marks, which focus specifically on services like bill payments and recharges. This difference in service offerings and mark structure further diminishes the likelihood of confusion. The plaintiff cannot claim exclusive rights over the use of "Pe" because it is a commonly used word in the payment services industry. The defendants are not attempting to infringe the plaintiff's mark by using "Pe" in a manner that could be seen as exploiting the plaintiff's goodwill. Instead, the defendants are using "Pe" in a descriptive and non-exclusive manner. Rule 28 of the Trademark Rules, which allows transliteration between Hindi and English, supports the defendants' usage of "Pe" as a legitimate transliteration of the Hindi word "Pay." Since "Pe" is not a unique or distinctive element of the Plaintiff's mark, its use by the defendants does not amount to



Civil Suit (COMM DIV)No.119 of 2023

infringement. The defendants are using "Pe" in good faith, as part of their branding for services that are functionally similar to other payment services in the market. Hence, the usage of the word "Pe" by the defendants does not infringe the plaintiff's registered mark, considering Rule 28 of the Trademark Rules, which permits transliteration between Hindi and English.

23. Considering the facts and circumstances of the case, along with the oral and documentary evidence and the submissions made by the learned counsel on either side, the citations referred to by the learned counsel for the plaintiff are not applicable to the present case, as they are distinguishable on facts.

24. Accordingly, except for the additional issue regarding jurisdiction, all the issues are answered against the plaintiff and in favour of the defendant. As a result, the suit is dismissed. However, there shall be no order as to costs.

21/01/2025
(1/2)

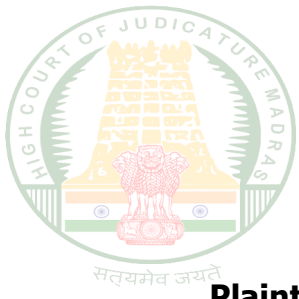
Index: Yes/No.

Speaking Order : Yes/No.

Neutral Citation Case : Yes/No.

r n s

Copy to: The Sub Assistant Registrar, (Original Side),
Madras High Court, Chennai.



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

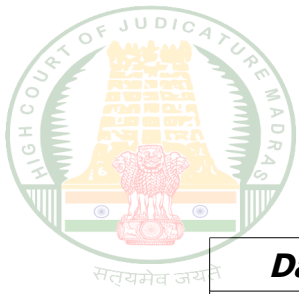
Plaintiff's witness:

Mr.Rahul Kumar

- PW1

Documents exhibited on the side of the plaintiff:-

<i>Date</i>	<i>Nature of documents</i>	<i>Exhibits</i>
18.11.2016 & 13.02.2020	Copy of Incorporation Certificate of the plaintiff	Ex.P1
09.12.2016 & 23.08.2022	Copy of Authorization Letter issued by Reserve Bank of India	Ex.P2
-	Copy of Master Data extracted from the Ministry of Corporate Affairs of Defendant No.1	Ex.P3
-	Copy of the Extract Domain name of Defendant No.1 from Whois Database	Ex.P4
06.09.2022	Photocopies of Certificates of Registration of Trademark of the plaintiff	Ex.P5
11.11.2022	True copy of List of Plaintiff's Active Marks Status Report as on 11.11.2022	Ex.P6
-	True Copy of List of Domain Names owned by the plaintiff	Ex.P7
09.03.2022	Copy of the Extract from the plaintiff's website reflecting Offline Merchant Partners and Brand Partners	Ex.P8
-	Copy of Extract of the Plaintiff's Account on Social Media Platforms.	Ex.P9
-	Copy of of News Articles showing the goodwill, growth and reputation of the plaintiff	Ex.P10
-	Copy of the Details of Registered users of the plaintiff along with market share of the plaintiff for Q4-2022	Ex.P11
-	Copy of the Awards and Accolades received by the plaintiff	Ex.P12



Civil Suit (COMM DIV)No.119 of 2023

Date	Nature of documents	Exhibits
-	Copy of Extract of Websites of Defendant No.1 showing use of "Bundle Pe" and "LatePe" marks.	Ex.P13
-	Copy of the Trademark Application for the "Bundle PE" marks filed by the defendant No.1	Ex.P14
-	Copy of 1st Cease and Desist Notice sent by the plaintiff's advocate to the Defendant Nos.1, 2 and 3, dated 07.03.2023.	Ex.P15
28.03.2023	Copy of 2nd Cease and Desist Notice sent by the plaintiff's advocate to the Defendant Nos.1, 2 and 3	Ex.P16
12.04.2023	Copy of reply issued counsel for Defendant Nos.1, 2 and 3	Ex.P17
April 2023	Copy of Data taken from National Payment Corporation of India (NPCI) showing the transaction volume of the plaintiff	Ex.P18
-	Printout of Screenshots showing the listing of Defendant No.1's app and downloads taken from Google Play Store.	Ex.P19
-	Copy of Plaintiff's Registered Trademarks and Domain names	Ex.P20
-	Copy of Defendant Nos.1 "Bundle Pe" and "LatePe" marks and Domain names	Ex.P21
20.12.2023	Original Board Resolution	Ex.P22
13.05.2023	Copy of the certificate of Chartered Accountant certifying Marketing expenditure and turnover of the plaintiff's company	Ex.P23



Civil Suit (COMM DIV)No.119 of 2023

WEB COPY

Defendant's witness:-

Nil

**Documents exhibited on the side of the plaintiff during
Cross examination:-**

<i>Date</i>	<i>Nature of documents</i>	<i>Exhibits</i>
01.02.2017 & 20.07.2017	Communication received from The Registrar of Trade Marks, Chennai, dated 01.02.2017 and the plaintiff's application dated 20.07.2017	Ex.D1

**21/01/2025
(2/2)**



WEB COPY



Civil Suit (COMM DIV)No.119 of 2023

P.VELMURUGAN, J

r n s

**Pre Delivery Judgment made in
Civil Suit (COMM DIV)No.119 of 2023**

=

21/01/2025