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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of Decision: 29th March, 2022

+ FAO-IPD 6/2022 & CM APPL. 3510/2022

THE CHARTERED INSTITUTE OF TAXATION APPELLANT

Through: Ms. Anirudh Bakhru, Mr. Naqeeb
Nawab, Mr. Himanshu Deora,
Mr. Raghav Vig, Ms. Tejaswini
Chandrashekhar & Mr. Umang Tyagi,
Advocates

versus

INSTITUTE OF CHARTERED TAX ADVISERS OF
INDIA LTD RESPONDENT

Through: Mr. R.K. Singh, Advocate
Mr. Abhishek Bhardwaj, Advocate

CORAM:
JUSTICE PRATHIBA M. SINGH

Prathiba m. Singh, j.(Oral)

1. This hearing has been done through hybrid mode.
2. The present first appeal has been preferred against the order dated 16th September, 2019 passed by the Ld. ADJ, Patiala House District Court, Delhi in *CS (COMM) No.201/2019* titled *The Chartered Institute of Taxation v. Institute of Chartered Tax Advisers of India Ltd.* By the impugned order, the application under Order XXXIX Rules 1 and 2 CPC filed by the Appellant was dismissed by the Trial Court.
3. The suit relates to the trademark 'ADIT' which the Plaintiff/Appellant- The Chartered Institute of Taxation (*hereinafter*, "*Plaintiff*") has objected to. It is the case of the Plaintiff that it has the

superior rights in the trademark 'ADIT', by virtue of priority in adoption and use of the said trademark in respect of its goods and/or services since the year 2003. The Plaintiff administers and awards two qualifications: the "Advanced Diploma in International Taxation" (ADIT) for international tax professionals around the world, and the "Chartered Tax Adviser" (CTA) qualification for domestic tax practitioners in the United Kingdom. Membership is awarded on passing the Appellant's/Plaintiffs examinations and completing specified practical taxation experience. The qualifications granted by the Plaintiff are stated to be the 'gold standard' in the field of tax education.

4. On the last date, an adjournment was sought on behalf of the Defendant. Ld. Counsel for the Defendant/Respondent- Institute of Chartered Tax Advisers of India Ltd. Taxation (*hereinafter*, "Defendant") had given an assurance to the effect that no course under the trademark 'ADIT' shall be launched by the Defendant, till the next date. The said order dated 11th March, 2022, wherein the assurance of the Defendant is recorded, reads as under:

- "1. This hearing has been done through hybrid mode.*
- 2. The present first appeal has been preferred against the order dated 16th September, 2019 passed by the Ld. ADJ, Patiala House District Court, Delhi in CS (COMM) No.201/2019 titled **The Chartered Institute of Taxation v. Institute of Chartered Tax Advisers of India Ltd.**, refusing the grant of interim injunction in respect of the trademark 'ADIT'.*
- 3. No time left.*
- 4. List on 29th March, 2022.*
- 5. In the meantime, Mr. Abhishek Bhardwaj, Id. Counsel for the Defendant assures the court that no**

course under the trademark 'ADIT' shall be launched by the Defendant, till the next date."

5. Today, a new counsel, Mr. R.K. Singh, appears for the Defendant. He submits that the earlier counsel- Mr. Abhishek Bhardwaj will no longer be appearing in the matter. He seeks an adjournment on the ground that he has recently been engaged in the matter, and wishes to file his *vakalatnama*.

6. Ld. Counsel for the Appellant submits that the Defendant has established companies which have similar names, in an attempt to mislead the general public, as though they are established under an Act of Parliament.

7. At this stage, Mr. Abhishek Bhardwaj has entered appearance. He submits that he is in settlement talks with the Plaintiff. It is admitted by the Plaintiff that one meeting was held and the settlement has failed.

8. It is clear to this Court that the excuse of engaging a new counsel has been taken by the Defendant only to avoid the hearing today. In these circumstances, the request for adjournment is clearly an excuse which is not liable to be entertained.

9. Considering the nature of the dispute and the trademark 'ADIT' which was first adopted by the Plaintiff, the Defendant who is also using the name 'Institute of Chartered Tax Advisers of India Ltd.', cannot be allowed to launch a course under a name which is identical to that of the Plaintiff. Moreover, the use of the word CHARTERED also seek to suggest some association with the Plaintiff. The Defendant is clearly a private company which has no connection with the Plaintiff. Accordingly, this Court is of the opinion that the use of a name which is similar coupled with the use of the mark ADIT is likely to cause enormous harm to students and prospective

candidates who may avail of the course of the Defendant under the mistaken impression that the Defendant is connected or affiliated with the Plaintiff. The Id. Counsel for the Defendant submits that he is willing to continue the assurance given on the last date. It is accordingly directed that the said assurance shall continue to bind the Defendant during the pendency of the suit before the Trial Court.

10. The Defendant and all others acting for and on its behalf are restrained from using the trademark 'ADIT' for any course which they are presently offering or may offer in future, during the pendency of the suit.

11. In respect of the names of the seven companies which, as per the Plaintiff are objectionable, the Plaintiff is permitted to avail of the remedies, in accordance with law.

12. Accordingly, the impugned order dated 16th September, 2019 is set aside. The present first appeal is disposed of, with the direction that during the pendency of the suit the Defendant or any other entity connected to the Defendant shall not launch any course by the name 'ADIT'.

13. The appeal is allowed in the above terms. All pending applications are also disposed of.

14. The Trial Court shall proceed further with the suit.

PRATHIBA M. SINGH, J.

MARCH 29, 2022

Rd/Aditi