

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH.

CWP 9679 of 2013

Date of Decision: March 22, 2017

M/s Intel Corporation

.....Petitioner

Vs.

Union of India and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE M.M.S. BEDI.

-.-

Present:- Mr.Anand Chhibbar, Sr. Advocate with
Mr. Vivek Sethi, Advocate for the petitioner.

Mr. Gaurav Singh Hooda, Advocate
for respondents No.1 and 2.

Mr.Shiv Kumar, Advocate for respondent No.3.

-.-

M.M.S. BEDI, J.

The petitioner M/s Intel Corporation has challenged the order annexure P-12 dated December 11, 2012 passed by respondent No.2, Regional Director (Northern Region), Ministry of Corporate Affairs, Noida refusing to exercise powers under Section 22 of the Companies Act, for short 'the Act', for a direction to respondent No.3 M/s Extraintell Outsourcing Private Limited, Faridabad for change of name on the ground

that the respondent Company is having “Intel” as key word which is identical with or too nearly resembles registered Trade Mark “Intel”, of the petitioner, however, observing that for alleged infringement of Trade Mark Act, 1999, the petitioner may approach the concerned competent authority under the Trade Mark Act, 1999 for its grievances. The petitioner company claims that it is known as the world’s largest semi-conductor chip maker and it, on its own or through subsidiaries, is engaged in the business of developing advanced integrated digital technology platform for the computing and communication industries. The petitioner’s products include microprocessors (the Central Processing Unit which acts as the “brains” of the computer); chipsets; motherboards; flash memory; wired and wireless connectivity products; communicators infrastructure components, including network processors; application and cellular based processors; and products for networked storage; that are sold under the name and mark inter-alia containing the word ‘INTEL’, which is a coined word having a very high degree of inherent distinctiveness. Wide range of products developed by the petitioner have gained worldwide acceptance under the name and mark ‘INTEL’. It being the world famous is globally respected trade mark, trade name, service mark and brand name, which signifies quality, reliability and technologically superior products. The petitioner filed a representation under Section 22 of the Act before the Ministry of Corporate Office, Regional Director (Northern Region) for rectification of the name of respondent no.3 Company on the following grounds:-

- “a) That the applicant company was using the trade mark ‘INTEL’ way back since 1968 in various classes all over the world and in India since 1972 that the mark ‘INTEL’ is well recognized amongst the public and members of trade and the mark “INTEL” is used on products beyond computer and they are the manufacturers of various consumer electronics products.
- b) That the word “INTEL” has acquired universal reputation in the field of computers and they are the manufacturers of various consumers electronics products.
- c) That the applicant company has stated that the respondent has incorporated the company with the word “INTEL” as part of their corporate name with identical and too closely resembling name of the applicant company and caused confusion and deception among the trade and public. It is also in direct conflict and amounts to infringement of rights as per Section 29 (4) and 29 (5) of the Trade Mark Act 1999”

A notice under Section 22 of the Act was issued to respondent No.3 by speed post to show cause as to why the directions should not be

issued to respondent Company to change its name. The respondent Company did not furnish its reply to the Directorate. Petitioner was represented by Advocate with power of attorney whereas no one appeared on behalf of respondent Company. The representatives of the petitioner informed the Regional Director that the petitioner Company had filed a complaint against an entity “Extraintell Consultants Pvt. Ltd.” and that both the Companies- Extraintell Consultants Pvt. Ltd. (CIN No. U93000HR2010PTC040373) and Extraintell Outsourcing Pvt. Ltd. are associated with each other having common registered office/ address and common directors. The said complaint was taken on record and the matter was heard by the then Regional Director Mr. B.K. Bansal on April 17, 2012. The Regional Director vide order dated May 22, 2012 has found that Extraintell Outsourcing Pvt. Ltd. was not entitled to use the name “INTEL” and, therefore, directed them to change their name within 3 months from the date of the order. Copy of the order passed by the then Regional Director on May 22, 2012 has been appended with the petition as annexure P-10. The operative part of the said order reads as follows:-

“6. AND WHEREAS, after going through the pleadings, it is an admitted fact that the “INTEL” is the registered trademark of M/s Intell Corporation USA since 1968 in various classes all over the world and in India the trade mark “INTEL” in class 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 16, 17, 18, 22, 23, 26, 27, 28, 30, 32, 34 and 35 and various other classes was registered during the

year 2003, 2005, 2006, 2007 and in 2008. It has acquired universal reputation in the field of computers and they are the manufacturers of various consumer electronics products. Hence, M/s Extraintell Consultants Private Limited incorporated on 12.04.2010 cannot use the work “INTEL” in their name.

7. NOW THEREFORE in exercise of the powers conferred on me by Clause (b) of sub-section of Section 22 of the Companies Act, 1956, r.w. the Govt. of India, Ministry of Industry, Deptt. of Companies Affairs, notification No. GSR 288 (E) dated 31.5.1991. I hereby direct that M/s Extraintell Consultants Private Limited, the respondent Company to change its name as per the procedure under the Companies Act within three months from the date of this directions.

Dated: this 2nd /22nd of May, 2012. Sd/-B.K. Bansal,
Regional Director,
Northern Region, Noida.”

The Regional Director vide impugned order dated December 11, 2012 had considered the scope of Section 22 of the Act in context to the guidelines under Section 20 of the Act and relied upon a judgment of Delhi High Court in the matter of **International Trade and Exhibitions India Private Limited Vs. Regional Director, North and another**, W.P. (C) No. 2102 of 2011, dated September 20, 2011, in which following observations have been made with regard to powers of Central Government:-

- “7. In the present case the applicant has alleged that the respondent company is using their trade name

“INTEL” which is in direct conflict and amounts to infringement of their rights as per Sec. 29 (4) and 29 (5) of the Trade mark Act 1999.

7.1 In this regard the undersigned is of the opinion that there is a separate competent authority to deal with the issue of infringement of rights of the proprietor of trade mark under Trade Mark Act, 1999.

8. In view of the above facts the matter has been examined and after considering all the relevant facts of the case and the documents available on records and submissions made at the time of hearing it was observed that the word “INTEL” is a registered trademark owned by the applicant and the respondent company M/s Extraintell Outsourcing Pvt. Ltd. is using the work “INTEL” as part of the name which may attract the provisions of Trade Mark Act, 1999.

But the name of the respondent Company i.e. Extraintell Outsourcing Private Limited can not be considered as “identical” or “too nearly resembling” with the trade mark of the applicant company “Intel” under provisions of Section 22 of Companies Act, 1956, because it contains two

additional different words i.e. “Extra” and “Outsourcing”.

Therefore, I am of the opinion that there are no grounds for issue of directions under Section 22 of the Companies Act, 1956 in this case. However, for alleged infringement of Trade Mark Act, 1999 the applicant may approach the concerned Competent Authority under the Trade Mark Act, 1999 for its grievances.”

Respondent No.3 has contested the petition by filing a written statement taking up the objection that respondent No.2 has rightly rejected the prayer of the petitioner on the ground that if the petitioner is aggrieved by the infringement of right then as per Sections 29 (4) and 29 (5) of the Trade Mark Act, 1999, the petitioner should approach the competent authority and that the name of the respondent Company cannot be “identical” “or two nearly resembling” with Trade Mark of the petitioner Company under the provisions of Section 22 of the Act because it contains two additional different words i.e. “Extra” and “Outsourcing”. Therefore, the representation under Section 22 of the Act as well as writ petition before this Court is not maintainable and is liable to be dismissed. It has been pleaded that under Section 22 of the Act, a Company can be directed to change its name only if such direction is issued within 12 months of the commencement of the Companies Act, 1956 or within 12 months of

Registration of the Company whichever is later, whereas, the respondent No.3 Company was incorporated on June 27, 2007 and representation of the petitioner under Section 22 of the Act was made on February 9, 2011, after more than three and half years, since the incorporation of the company of respondent No.3 as such no direction could be issued under Section 22 of the Act to respondent No.3 Company to change its name. It was claimed that the application under Section 22 of the Act being barred by time deserves dismissal. The respondent Company claims that it is doing different business than the petitioner as such the petition was liable to be dismissed. It has been claimed that the name of respondent Company cannot be said to be identical or too nearly resembling with the Trade Mark of the petitioner Company "INTEL" because the name of the respondent Company contains two additional different words "Extra" and "Outsourcing". It has also been pointed out that more than 200 companies in India are registered under the Company Act are having word Intel i.e. Intellicheck, Intella, Intellicliq, Intelence, Intellibond etc.

The respondents have not denied the averment of the petitioner that respondent No.2 has not taken into account the fact that earlier similar complaint dated February 22, 2011 had been filed by petitioner Company against M/s Extraintell Consultants Pvt. Ltd." which had been filed on the same grounds and as M/s Extraintell Consultants Pvt. Limited used the same word as respondent No.3 Company i.e. "Extraintella" thus resulting in the same cause of action and that the registered office address and Directors of

both M/s Extraintell Consultants Pvt. Ltd. and respondent No.3 Company were same and the application under Section 22 of the Act filed by the petitioner against M/s Extraintell Consultants Pvt. Ltd. had been allowed vide annexure P-10 dated May 2, 2012.

Mr. Anand Chhibbar, Sr. Advocate for the petitioner has contended that use of work “INTELL” by M/s Extraintell Consultants Pvt. Ltd. in its corporate name, irrespective of the business undertaken by it is in direct conflict with the petitioner Company, since the name/ mark/ word used is identical deceptively similar to the Trade Mark of the petitioner Company as “INTEL” and amounts to infringement of the petitioner Company’s rights under Sections 29 (4) and 29 (5) of the Trade Mark Act, 1999 and M/s Extraintell Consultants Pvt. Ltd. had adopted its name simply to gain unfair advantage of the goodwill and reputation earned by the petitioner Company over several painstaking years and such an act on the part of the said Company diminishes the exclusively associated with the name/ mark “INTEL” and is in turn detrimental to its distinctive character and to that of the petitioner Company as such the petitioner Company filed an application annexure P-1 for rectification of the name of the Company- M/s Extraintell Consultants Pvt. Ltd. along with the following documents:-

- “i. List of trade mark registrations obtained by
Petitioner Company, annexure P-2.

- ii. Copies of Registration Certificates obtained by petitioner Company from Trade Marks Registry, Government of India; annexure P-3;
- iii. Copy of print out from website of Trade Marks Registry, Government of India, showing “INTEL” as well known mark Annexure P-4.
- iv. List of favourable orders obtained by petitioner company in respect of “INTEL” name/ mark through legal recourse: annexure P-5.
- v. Copy of order passed by Hon’ble Delhi High Court in respect of “INTEL” name/ mark by way of illustration: annexure P-6.”

The Regional director- respondent No.2 considered the written representation of M/s Extraintell Consultants Pvt. Ltd.” and issued directions, annexure P-10 which have been reproduced hereinbefore directing the said Company to change its name as per procedure under the Companies Act, within three months from the date of the directions. But a similar representation/ complaint dated February 9, 2011 under Section 22 of the Act filed against respondent No.3 Company- “M/s Extraintell Outsourcing Pvt. Ltd.” has been dismissed.

I have heard learned counsel for the petitioner and counsel for the respondent and gone through the facts and circumstances of this case. The factum of an application under Section 22 of the Act filed by the

petitioner against M/s Extraintell Consultants Pvt. Ltd vide annexure P-10 has been denied. The pleading of the petitioner is that M/s Extraintell Consultants Pvt. Ltd. have the same Directors and same registered office as that of M/s Extraintell Outsourcing Pvt. Ltd.. I have considered the contention of counsel for respondent No.3 that the provisions of Section 22 of the Act for rectification of the name of Company can be availed of within a period of three years but I do not find any force in the same in view of the proviso which has been added under clause (ii) of Section 22 (1) of the Act which lays down the outer limit of 5 years of filing an application under Section 22 (1) (ii) of the Act after the notice of the registration of Company, by the Central Government. In this context, a judgment of this Court in **M/s Vardhaman Crop Nutrients Private Limited Versus Union of India and others**, CWP No. 13589 of 2012, decided on December 17, 2014 can be referred to wherein it was held as follows:-

“As per Section 22 of the Companies Act, an application can be made for rectification of the name of company and if, in the opinion of the Central Government, it is identical with or too nearly resembles a registered trade mark of the applicant, a direction can be given for changing the name. There is a proviso that no application can be made after five years of coming to notice of registration of the company.”

Counsel for the petitioner has also referred to few decided cases in order to support his contention wherein considering the scope of Section 22 (1) (ii) of the Act, the Central Government had directed to change the name of the Companies when the name of the Companies were identical or too nearly resembled with registered Trade Mark of a particular proprietor under the Trade Mark Act, 1999.

The circumstances of the present case do not warrant adjudication of the claim of the petitioner under Section 22 (1) (ii) of the Act by treating the present writ petition as an appeal but in view of respondent No.2- Regional Director, (Northern Region), Ministry of Corporate Affairs exercising the powers of Central Government having used different parameters while passing two different orders, annexures P-10 and P-12, absolutely contradictory to each other in context to the similar circumstances between the similar parties, the order annexure P-12 is apparently unreasonable and requires re-consideration.

Without expression of any opinion on merits of the case, the order annexure P-12, dated December 11, 2012 dismissing the representation under Section 22 (1) (ii) of the Act is hereby set aside and in the interest of justice, the Regional Director (Northern Region) is required to pass a fresh order after hearing petitioner as well as respondent No.3 taking into consideration their respective stands in context to the scope of the statutory provisions and the case law if referred to by the parties.

The petitioner and respondent No.3 are directed to appear before respondent No.2-Regional Director (Northern Region) within a period of one month from the date of receipt of the order for re-adjudication of the application under Section 22 (1) (ii) of the Act filed by the petitioner. Respondent No.2 Authority may fix an actual date for consideration of the representation and decide the same by giving fair opportunity to respondent No.3 or its representative.

Since the petitioner and respondent No.3 are represented before this Court, it will be deemed that both of them have got a notice of putting appearance before respondent No.2 within a period of one month and seek adjudication thereafter. It is further observed that nothing said in this order will prejudice the rights of the parties before respondent No.2 and the right of petitioner to avail any other remedy in alternative or simultaneous, irrespective of the proceedings under Section 22 of the Act.

Disposed of in the aforesaid terms.

March 22, 2017
sanjay

(M.M.S.BEDI)
JUDGE

Whether speaking/ reasoned:	Yes/ No.
Whether reportable:	Yes/No.