

Legal Issues in 'IP Enforcement'

Topic: Whether the backend use of a registered trademark as a search engine keyword constitutes advertising of the Trademark?

Relevant Legal Provisions

❖ Section 29(8), Trade Marks Act, 1999

Infringement by use in advertising

A registered trade mark is infringed by any advertising of that trade mark if such advertising—

- (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or*
- (b) is detrimental to its distinctive character; or*
- (c) is against the reputation of the trade mark.*

Relevant Legal Provisions (Contd.)

❖ *Section 29(6), Trade Marks Act, 1999-*

For the purposes of this section, a person uses a registered trade mark if, in particular, he — (a) affixes it to goods or the packaging thereof; (b) offers or exposes goods for sale, puts them on the market or stocks them for those purposes under the sign, or offers or supplies services under the sign; (c) imports or exports goods under the sign; or (d) uses the sign on business papers or in advertising.

Relevant Legal Provisions (Cont.)

❖ *Section 30(1), Trade Marks Act, 1999 -*

Nothing in Section 29 shall be construed as preventing the use of a registered trade mark by any person for the purposes of identifying goods or services as those of the proprietor provided the use — (a) is in accordance with honest practices in industrial or commercial matters, and (b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

Relevant Judicial Decisions

- ❖ ***Consim Info Pvt. Ltd. v. Google India Pvt. Ltd. (Original Application Nos.977 and 978 of 2009, Application Nos.6001, 6380, 6381 and 6382 of 2009 and Application No.247 of 2010) September 30, 2010- Single judge bench***

“...178. Despite Section 29(8)(a) and Section 30(1)(a) speaking of “honest practices”, there is no indication anywhere in the Act as to what constitute “honest practices”. It may perhaps be due to the fact that persons who follow honest practices in everyday life do not need a definition from the statute book, while for the others, no amount of definition would be of any use. However, the European Court of Justice in Michael Holterhoff v. Ulrich Freiesleben, (2002) F.S.R. 23, 362, p. 376, expressed the view that, “by its very nature, such a concept must allow of a certain flexibility. Its detailed contours may vary from time to time and according to circumstances, and will be determined in part by various rules of law which may themselves change, as well as by changing perceptions of what is acceptable...”

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Relevant Judicial Decisions (Contd.)

- ❖ *Consim Info Pvt. Ltd. v. Google India Pvt. Ltd. (Original Application Nos.977 and 978 of 2009, Application Nos.6001, 6380, 6381 and 6382 of 2009 and Application No.247 of 2010) September 30, 2010- Single judge bench (Contd.)*

“178. However, there is a large and clear shared core concept of what constitutes honest conduct in trade, which may be applied by the Courts without great difficulty and without any excessive danger of greatly diverging interpretation. The Court further described the concept as “expressing a duty to act fairly in relation to the legitimate interests of the trade mark owner, and the aim as seeking to “reconcile the fundamental interests of a trade-mark protection with those of free movement of goods and freedom to provide services in the common market” in such a way that trade mark rights are able to fulfil their essential role in the system of undistorted competition which the Treaty seeks to establish and maintain...”

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Relevant Judicial Decisions

❖ *Google LLC v. DRS Logistics (P) Ltd. & Ors. (FAO(OS) (COMM) 22/2022 & CM Nos. 5879/2022 & 5882/2022)*
(August 10, 2023, Single Judge bench)

“166. Google uses keywords for shortlisting of Ads to be reflected on the SERPs, and in one sense its use is in connection with selection of Ads and the order of priority, in which they are reflected on the SERPs. However, we do not accept that the keywords are not used in relation to the goods and services of the advertiser. The very selection of a keyword is based on enterprise and the goods and services offered by the Advertiser. The use of trademarks as keywords is, plainly, in relation to the goods and services offered by the Advertiser. The same may or may not be similar to the goods or services covered by the registered trademark, which is used as a keyword. If the goods or services are similar to those covered under the registered trademark, Section 29(4) of the TM Act is inapplicable. However, if the goods are dissimilar to those covered under the trademark and the trademark has a reputation, it is necessary to determine whether such use amounts to unfair advantage and is detrimental to the distinctive character or repute of the registered trademark...” (Emphasis Supplied)

Relevant Judicial Decisions

- ❖ *Google LLC v. DRS Logistics (P) Ltd. & Ors. (FAO(OS) (COMM) 22/2022 & CM Nos. 5879/2022 & 5882/2022)*
(August 10, 2023, Single Judge bench) (Contd)

“166. This would depend upon the facts of each case. However, the contention that use of trade marks, absent anything more, would amount to infringement of the trademark simply for the reason that the same is used to display advertisements, is erroneous. The use of trademarks as keywords in the Ads programme does not, per se, amount to without cause, taking an unfair advantage of the trademark; nor can be construed as detrimental to the distinctive character or repute of the trademark. Keywords are, essentially, used to identify the persons who may be interested in the sponsored Ads. Undoubtedly, Google and the advertisers draw certain advantage by using keywords, which are similar to trademarks, in as much as they use the same to identify users, who are probably interested in the goods and services covered by the registered trademark. However, every advantage drawn by use of a trademark cannot be termed as drawing, unfair advantage of the trademark, without cause. As discussed above, identifying customers, who may be looking for goods or services of a particular brand, for offering them alternatives is not unfair..” (Emphasis Supplied)

Relevant Judicial Decisions

- ❖ *Policybazaar Insurance Web Aggregator & Anr. v. Coverfox Insurance Broking Pvt. Ltd. & Ors.*
CS(COMM) 259/2019 CS(COMM) 260/2019 - September 6, 2023- Single Judge Bench

“53... Use of a trade mark as keywords is, essentially, to seek the attention of the internet users who may find information relating to goods and services covered under the said trade mark as relevant. It is not illegal to seek out such internet users as targets for advertisements that they may find relevant...”

“185...Undisputedly, the trademarks are monetized by Google by using the same as keywords for displaying the paid Ads on the SERP. In one sense, Google effectively sells the use of the trademarks as keywords to advertisers. Prima facie, it encourages users for using search terms, including trademarks, as keywords for display of the Ads to the target audience. Given the aforesaid allegations, it is difficult to accept that Google is entitled to exemption under [Section 79](#) of the IT Act from the liability of infringement of trademarks by its use of the trademarks as keywords in the Ads Programme. It can hardly be accepted that Google can encourage and permit use of the trademarks as keywords and in effect sell its usage and yet claim the said data as belonging to third parties to avail an exemption under [Section 79\(1\)](#) of the IT Act. Prior to 2004, Google did not permit use of trademarks as keywords....”

Relevant Judicial Decisions

- ❖ *Policybazaar Insurance Web Aggregator & Anr. v. Coverfox Insurance Broking Pvt. Ltd. & Ors.*
CS(COMM) 259/2019 CS(COMM) 260/2019 - September 6, 2023- Single Judge Bench (Contd.)

“50... However, Google amended its policy, obviously, for increasing its revenue. Subsequently, it introduced the tool, which actively searches the most effective terms including well known trademarks as keywords. It is verily believed that in the year 2009 Google estimated that use of trademarks as keywords would result in incremental revenue of at least US Dollar100 million. Google is not a passive intermediary but runs an advertisement business, of which it has pervasive control. Merely because the said business is run online and is dovetailed with its service as an intermediary, does not entitle Google to the benefit of [Section 79\(1\)](#) of the IT Act, in so far as the Ads Programme is concerned...”

“...186. We concur with the prima facie view of the learned Single Judge that the said benefit would be unavailable to Google if its alleged activities are found to be infringing DRS’s trademarks...” (Emphasis Supplied)

Relevant Judicial Decisions (Contd.)

- ❖ ***Google LLC v. MakeMyTrip (India) Pvt. Ltd. & Ors. (FAO(OS) (COMM) 147/2022 & CAV 155/2022 & CM Nos. 27148/2022 & 27149/2022) December 14, 2023 Single judge bench***

“26... We are also unable to accept the view that ex facie the use of MIPL’s trademark MakeMyTrip as a keyword falls foul of Section 29(8) of the Trade Marks Act as it amounts to unfair advantage and is contrary to the honest practices in industrial or commercial matters and thus, constitutes infringement under Section 29(8) of the Trade Marks Act. Use of trademarks as key words by competitors, absent any confusion or deceit, does not per se amount to infringing use...”

Relevant Judicial Decisions

- ❖ *Indiamart Intermesh Ltd vs Puma Se* [FAO(OS) (COMM) 6/2024, CM APPL. 2216 & 2219 of 2024] June 2, 2025- Single judge bench

“21 ...whether the use of mark 'PUMA' in the drop-down option menu would be considered as a use of the trademark PUMA...”

“22 ...the learned Single Judge also held that the appearance of PSE's PUMA mark on the drop-down menu, which is visible on the screen, also amounts to a visual representation of the mark PUMA irrespective of the purpose for which the representation was made or the persons whose eye it was intended for...the learned Single Judge rejected the contention that since the drop-down menu was available only to a seller at the very backend of the registration process, the same would not amount to use of the trademark. “

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Relevant Judicial Decisions

- ❖ ***Indiamart Intermesh Ltd vs Puma Se [FAO(OS) (COMM) 6/2024, CM APPL. 2216 & 2219 of 2024] June 2, 2025- Single judge bench (Contd.)***

“28. The learned Single Judge also found that offering of an option of PUMA shoes on the drop-down menu would also constitute infringement of the trademark PUMA within the Section 29(2) of the TM Act as the material produced by PSE, prima facie, indicated that the counterfeit goods were being offered to sale on Indiamart.

“35.10 In view of the width accorded to the ambit of the expression "in any other relation whatsoever", as they occur in Section 2(2)(c)(i) of the Trade Marks Act, by the Division Bench, and the consequent finding of the Division Bench that the use of the trade mark as an ad word in the Google Ads program would also amount to "use" within the meaning of Section 2(2) of the Trade Marks Act, the use of the plaintiff's registered trade mark as one of the drop down choices available to the seller at the time of registration with the Indiamart platform would also amount to "use" of the trade mark within the meaning of Section 2(2)(b) and 2(2)(c)(i).”

Relevant Judicial Decisions

- ❖ *Hindware Ltd. v. Grohe India Pvt. Ltd. & Ors. (CS(COMM) 591/2017 & CS(COMM) 592/2017, Single Judge Bench, Delhi High Court, Justice Mini Pushkarna, May 22, 2026)*

“122. The contention of Google that Section 29(8) is not applicable to the present case as use of trademark as a keyword does not amount to advertisement of the trademark, has to be rejected. The legislature has deliberately used the word “advertising” of that trademark, and not “advertisement” of that trademark. “Advertising” is a verb, and not a noun, and encapsulates the entire process of advertising, i.e., promoting goods and services. It is wider than the noun “advertisement” which only reflects the end result. Thus, by using the word “advertising”, the parliament has sought to capture the full spectrum of the promotional activity, and not merely the end display visible to the consumers. Use of the trademark as a keyword is the mechanism that causes the advertisement to be displayed. Thus, use of trademark as a keyword is use in the process of advertising, and within the ambit of the terms of Section 29(8) of the Trade Marks Act.”

“150...the language of Section 29(8) is materially different from Section 29(4), in so far that there is no requirement of the use being ‘without due cause’ under Section 29(8) of the Trade Marks Act. Thus, the test of infringement under Section 29(8) is stricter in comparison to Section 29(4) of the Trade Marks Act.” (Emphasis Supplied)

Relevant Judicial Decisions

- ❖ *Hindware Ltd. v. Grohe India Pvt. Ltd. & Ors. (CS(COMM) 591/2017 & CS(COMM) 592/2017, Single Judge Bench, Delhi High Court, Justice Mini Pushkarna, May 22, 2026) (Contd.)*

“153...Section 29(8) of the Trade Marks Act does not make any distinction between permissible and impermissible free riding. The ends of more competition, do not justify the means of auctioning trademarks and misappropriating on their goodwill...”

“177..the conduct of Google in using the trademark of the plaintiff as a keyword, amounts to unfair advantage of the advertising of the plaintiff’s trademark, and is contrary to honest practices in industrial and commercial matters. Thus, the action of Google amounts to infringement of the plaintiff’s trademark ‘HINDWARE’ under Section 29(8) of the Trade Marks Act....”

Conclusion

- ❖ The law is now settled, keyword use constitutes advertising under Section 29(8), as conclusively held in *Hindware 2026*
- ❖ However, infringement is not automatic, the trademark owner must establish unfair advantage or conduct contrary to honest commercial practices
- ❖ Section 29(8) remains the more favourable route for brand owners, unlike Section 29(4), there is no requirement to prove use “without due cause”
- ❖ Platforms that actively monetise trademarks as keywords cannot seek shelter under Section 79 IT Act intermediary immunity
- ❖ In sum, the backend is not invisible to law, and platforms profiting from a mark's goodwill are not absolved of liability

Thank you!
Questions?

Shivanshi Gupta, Associate

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