

39

\$~

*

IN THE HIGH COURT OF DELHI AT NEW DELHI

+

CS(OS) 1198/2006

%

Judgment dated 14.09.2011

CASTROL LIMITED AND ORS.

..... Plaintiff

Through: Mr.Sushant Singh, Mr.Veerendra Singh,
Mr.P.C. Arya, Mr.Praveen, Mr.G.Panjwani
and Mr.Tajinder Singh, Advocates

versus

MR.AMIT SHAH AND ORS.

..... Defendant

Through

CORAM:

HON'BLE MR. JUSTICE G.S.SISTANI

G.S.SISTANI, J (ORAL)

1. Plaintiff has filed the present suit for permanent injunction, restraining infringement of copyright, passing off, damages and delivery up. During the pendency of the suit, trademark of the plaintiff 'ACTIV' was registered and accordingly, an application for amendment of the plaint was filed, which was allowed and by way of amendment, the plaintiff has sought permanent injunction, restraining infringement of registered trademark, copyright, passing off, damages and delivery up.
2. The plaintiff no.1, Castrol Limited is a company incorporated under the Laws of England and inter alia carries on business on a large and extensive scale in the manufacture, processing and marketing of high grade lubricating oil products in the United Kingdom and in several

other countries all over the world. Plaintiff no.1 also trades in anti-freezing components, hydraulic fluids, brake fluids, de-watering fluids, metal working and cutting oil and chemical cleaning materials.

3. On 30.05.2006, summons were issued in the suit and an ex parte ad interim injunction was granted in favour of the plaintiff. The interim injunction continues till date. Thereafter defendant no.2 was proceeded ex parte vide order dated 05.07.2007. Subsequently, defendants no.1, 3 and 4 were proceeded ex parte by an order dated 02.02.2010.
4. The plaintiff has also filed evidence of Mr.Murlidhar Balasubramanian, Senior Manager of plaintiff no.2 and also the affidavit of Sh.Rajiv Gulati, Manager Trademark of the plaintiff no.2.
5. As per the evidence of Mr.Murlidhar Balasubramanian, the plaintiff is the registered proprietor of various trade-marks, including the Trade Mark CASTROL registered under No.1494 in Class 4 as of 29th June, 1942, in respect of oils for heating, lighting and lubricating. The Trade Mark CASTROL is registered in India under No.260626 dated 17th November, 1969 in respect of industrial oils and greases (other than edible oils, fats and essential oils) hydraulic fluids being oils, lubricants, fuels and illuminant as a distinctive logo comprising a solid coloured circle across, which is an irregularly shaped white portion occupying about one half of the total area of the mark. The mark CASTROL appears in an oblique script across the horizontal member of the said white portion.
6. The witness has further deposed that the abovesaid trademarks have been renewed from time to time and are still subsisting on the Register of Trade Marks. Mr.Balasubramanian has also deposed that plaintiff no.1 is the registered proprietor of trade mark 'ACTIV' which is used by

the plaintiff no.1 along with another well known and home mark 'CASTROL'. The trademark CASTROL ACTIV 4T is continuously and extensively used in respect of industrial oil by the plaintiff. The registration certificate has been exhibited as PW-2/1. Mr.Balasubramanian has further deposed that product under the trademark 'CASTROL ACTIV 4T' is recommended for use in all 4-stroke motorcycles and the said product has various benefits including continuous protection, reduced engine wear and longer engine life. It is submitted that by long and continuous user of the composite mark the same is distinctive and has acquired secondary meaning under the Trade Mark Act, 1999. It is submitted that the plaintiffs' trade mark is already recognized with the goods of the plaintiffs and no one else. It has been deposed that the product of the Plaintiff is packed in a plastic container, having its particular shape and configuration and the Plaintiff No.1 is the first person who conceived the shape and configuration of the said design. The photograph of the container has been exhibited as Ex PW-1/2. The witness has further goes on to state that the container is being used by the plaintiffs in India since the year 2000, which has distinctive gray colour and red cap. The shape of the container is unique having original features and have never been used by any manufacturer prior to the plaintiffs. The shape is protected under Section 2(c) of the Copyright read with Section 2(m) of the Trade Marks Act, 1999. The plaintiff is stated to be using and affixing the sticker-label of CASTROL ACTIV 4T since the year 2000, which was conceived, adopted and used by the plaintiffs having a unique layout, get up and colour scheme, and thus the plaintiff claims to be the owner of the said label within the meaning of Section 2(c) of the Copyright Act, 1957 being original artistic work.

Copy of the label has been exhibited as Ex. PW-1/3.

7. The witness further deposed that the above mentioned label has been continuously used and was available in the market till September 2005 and thereafter in or around October 2005, the plaintiffs have adopted the sticker label in respect of the same product as new packaging which is also an original artistic work within the meaning of Section 2(c) of the Copyright 1957. The photograph of the newly adopted label by the plaintiffs is marked as Exhibit PW1/4. It is further deposed that the packaging of the ACTIV 4T/ACTIV 4T like Exhibit PW1/3 and Exhibit PW1/4 as well as shape of the container like Exhibit PW1/2 are the exclusive properties of the Plaintiff No.1 and same are being used by the Plaintiff No.2 in India with the permission of the Plaintiff No.1. It is also deposed that the artistic features of the get-up, layout and colour combination of above said product have been extensively used in the colour in various print media and features of the both labels exclusively associated with the plaintiffs and no one else. The purchasers of the said product are all kinds of persons including scooter and motorcycle riders who also recognize the products from its colour, name, size, shape and configuration of the plastic container. The witness has also deposed that the annual turnover of the goods sold by the Plaintiff No.2 from June 1983 till December 2003 is specifically stated in Para 12 of the plaint and has relied upon the same. The plaintiffs have been extensively advertising their products through various printed media including newspapers, magazines and trade journals, leaflets and other promotional literature depicting the said trademarks which have been extensively distributed to all the plaintiffs dealers through the country. And the annual expenditure incurred by the plaintiff No.2 in India on

advertising and publicity of the products, which also includes the products in question are specifically stated in Para 14 of the plaint and has relied upon the same. Mr.Murlidhar Balasubramanian further deposed that as a result of the intrinsic and good quality of the products marketed, sold and dealt with by the plaintiffs, the products under the mark ACTIV 4T, design of the container and label have acquired a unique and enviable goodwill and reputation. The reputation and goodwill of the product ACTIV 4T extends throughout India and abroad and the same have come to be recognized and associated exclusively by the plaintiffs and no one else.

8. Mr.Murlidhar Balasubramanian has also deposed that the product of the Plaintiff has acquired a distinctive connotation as being exclusively the goods of the plaintiffs. The use of the similar mark/design and colour scheme and layout of the label either identical with or deceptively similar by any person other than the plaintiffs will give rise to an impression and may lead to confusion and deception amongst the purchasing public. He has also deposed that the plaintiffs had during the 1st week of May, 2006, come to know that the defendants, who are trading under the various names, are manufacturing and selling engine oil to be used for motorcycle and other vehicles using similar plastic container bearing the trade mark Opel AKTIVA 4T having the label similar to the label Annexure F used by the Plaintiffs. The defendants have infringed the Intellectual Property Rights belonging to the Plaintiff No.1 in the following manner :

- (i) The Defendants have made the imitation of the plastic container used by the plaintiff like Annexure E by using the similar container like Annexure H having the same shape,

size, colour of the container i.e. dark gray, red cap and configuration.

- (ii) The defendants have used the mark AKTIVA 4T which is deceptively similar mark of the Plaintiff i.e. ATIV 4T who is the owner and earlier user of the same. The mark Opel has also been copied belonging to the third party.
 - (iii) By the defendants have used the similar colour combination, get up and features which have been copied by the them from the label filed as Annexure F amounts to infringement of copyright and passing off.
 - (iv) The defendants have not given their name and address on the packaging material in order to confuse the trade and to concealed tax and identity.
- 9.** Photograph of the defendants product as described above is marked as Exhibit PW1/5.
- 10.** I have heard counsel for the plaintiff. Having regard to the evidence on record, the plaintiff has been able to establish the essential ingredients of section 29(1) of the Trademarks Act in relation to the trademark CASTROL, which is registered in India under No.260626 dated 17th November, 1969, in respect of industrial oils and greases (other than edible oils, fats and essential oils) hydraulic fluids being oils, lubricants, fuels and illuminants, fuels and illuminant as a distinctive logo comprising a solid coloured circle across which is an irregularly shaped white portion occupying about one half of the total area of the mark. The registration has been exhibited as Ex.PW-2/1. Photograph of the

container has also been exhibited as Ex.PW-1/2.

11. It has been established on record that defendant is neither registered proprietor nor permitted user of the mark CASTROL ACTIV 4T. Comparing of both the marks would show that the mark of the defendant AKTIVA 4T is deceptively similar to the trademark of the plaintiff and in fact defendant has used deceptively similar registered trademark as that of the plaintiff being Opel ACTIVA 4T and is being used in the course of trade and he is also affixing the same name to identical goods.
12. A comparison of the two products would show that the mark of the defendant is phonetically similar to that of plaintiff, and the defendant has used similar colour scheme/ combination and features. The dishonesty of the defendant is evident from the fact that defendants have not given the name and address on the packaging material.
13. Counsel for the has relied upon Kaviraj Pandit Dutt Sharma Vs. Navaratna Pharmaceuticals Laboratories AIR 1965 SC 980, wherein it has been held that “Where the two marks are identical, no further question arise for, then the infringement is made out.” In the case of Ruston and Hornby Ltd. Vs. Zamindara AIR 1970 SC 1649, it has been held that “In an infringement action the issue is : Is the defendant using a mark which is the same as or which is colourable imitation of the Plaintiff’s registered trade mark.”
14. Counsel has relied upon Astrazeneca U.K. Ltd. and And Vs. Orchid Chemicals & Pharmaceuticals Ltd. 2006 (32) PTC 733 DEL, Grandlay Electricals (India) Ltd. Vs. Vidya Batra 1998 PTC (18) 646 (Del), Sun Pharmaceuticals Ltd. Vs. Cipla Ltd. 2009 (39) PTC 347 (Del.) and Nirma Limited Vs. Nimma International & Anr. CS(OS)No.1826/2008 PTC 2010 (42) 307 (Del.), in support of his contention that the suit for

infringement can be brought by the subsequent proprietor during the pendency of the recordal of the assignment.

15. The plaintiff has also prayed for damages in the sum of Rs.20.00 lakhs. In the case of **Time Incorporated vs. Lokesh Srivastava & Anr.**, 2005 (30) PTC 3 (Del), this Court observed that punitive damages are founded on the philosophy of corrective justice and as such, in appropriate cases these must be awarded to give a signal to the wrong doers that the law does not take a breach merely as a matter between rival parties but feels concerned about those also who are not party to the lis but suffer on account of the breach. In the case of **Hero Honda Motors Ltd. vs. Shree Assuramji Scooters**, 2006 (32) PTC 117 (Del), this court noticing that the defendant had chosen to stay away from the proceedings of the Court felt that in such case punitive damages need to be awarded, since otherwise the defendant, who appears in the court and submits its account books would be liable for damages whereas a party which chooses to stay away from the Court proceedings would escape the liability on account of the failure of the availability of account books. In **Microsoft Corporation vs. Deepak Raval** MIPR 2007 (1) 72, this Court observed that in our country the Courts are becoming sensitive to the growing menace of piracy and have started granting punitive damages even in cases where due to absence of defendant, the exact figures of sale made by them under the infringing copyright and/or trademark, exact damages are not available. The justification given by the court for award of compulsory damages was to make up for the loss suffered by the plaintiff and deter a wrong doer and like-minded from indulging in such unlawful activities. In **Larsen and Toubro Limited vs. Chagan Bhai Patel** : MIPR 2009(1) 194, this court observed that it would be

encouraging the violators of intellectual property, if the defendants notwithstanding having not contested the suit are not burdened with punitive damages.

16. For the reasons stated hereinabove, the present suit is decreed. Plaintiff would be entitled to damages of Rs.2.00 lakhs.

G.S.SISTANI,J

SEPTEMBER 14, 2011

ssn