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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 17.07.2013

+ CS(OS) 1319/2005

ASIAN PAINTS (INDIA) LTD. Plaintiff
Through: Mr. Sushant Singh, Advocate with
Mr. P.C.Arya, Tejinder Singh and Ms.
Parveen Arya, Advocates

versus

SATISH KUMAR & OTHERS Defendant
Through: Nemo.

CORAM:
HON'BLE MR. JUSTICE VIPIN SANGHI

JUDGMENT

VIPIN SANGHI, J. (ORAL)

1. None has appeared for the defendant Nos. 1 to 2 despite passover. Accordingly, they are proceeded ex-parte. Defendant No. 3 was proceeded ex-parte on 07.02.2012. Defendant No. 4 already stands deleted from the array of defendants on 07.02.2012.

2 I have heard learned counsel for the plaintiff who has taken me to the record and made his submissions. I now proceed to dispose of the suit.

3 The case of the plaintiff is that it is a company incorporated under the Companies Act, 1956. Shri Sunil S. Jaifalkar is the constituted attorney of the plaintiff who has instituted the suit. The Power of Attorney dated 27.01.2003 executed in his favour is Ex.PW1/1.

4. The plaintiff is engaged in the business of manufacturing and marketing of paint, varnishes, enamels and other like products for the last more than 50 years. The plaintiff claims that it is the market leader in its field and has substantial share in the market. The products of the plaintiff are available at every nook and corner of the country. The plaintiff states that it is also exporting its products to various other countries. The products of the plaintiff are marketed under distinctive brand names in containers and packaging bearing a distinctive trade dress and get up in which the plaintiff claims copyright. The plaintiff claims that it is the owner of all the trademarks and copyrights used by it in respect of its goods. The plaintiff states that in the year 1954, the company's mascot i.e. the mischievous imp. Gattu, was born. The company's mascot Gattu appears as a lovable, mischievous little boy with the lopsided grin. The plaint discloses that the said mascot was originally created in 1954 by India's top cartoonist, R.K.Laxman. The business of the plaintiff company kept growing from time to time, and in the year 1967, the plaintiff emerged as the number one company in India in its field. The plaintiff narrates in para 6 the various overseas ventures started by it in 1977, and thereafter.

5. The plaintiff further states that it obtained registration of its trademarks as follows:

“A) Trademark APCOLITE registered under No.154797 in class 2 as of 16th July, 1952 in respect of paints, varnish etc.

B) Trademark APCOLITE ROYALE and DEVICE registered under number 513502 in class 2 as of 18th July, 1989

C) Trademark Device of GATTU registered under no.219102 B in class 2 as of 27th November, 1963.

D) Label of APCOLITE with the device of GATTU registered under No.226466 as of 7th January 1965 in class 2 in respect of Paints, varnishes etc.

E) Trade mark APCOLITE registered under no. 211175 in part “A” of the Register as of 10th September 1962 in class 16 in respect of Artist’s brushes, paint brushes, painters brushes, stationery brushes for gliders

F) Trademark ASIAN PAINTS UTSAV registered under no 579838 in class 2 as of 26th August, 1992

G) Trademark TRACTOR with device of GATTU and TRACTOR registered under no. 533698 in class 2 as of 20th July, 1990.

H) Trademark TRACTOR (DEVICE) registered under no. 142226 in class 2 as of 2nd February, 1950 in respect of paints, varnish of all kinds, distempers and all other goods included in class 2.

I) Trademark TRACTOR with device of GATTU and TRACTOR registered under no. 523718 in class 2 as of 1st February, 1990.”

6. The aforesaid registrations of the trademarks have been renewed from time to time and are still subsisting in the Register of Trademark. The plaintiff has led in evidence all the registration certificates of the marks claimed by it as Ex.PW1/2 collectively. The originals of these documents were produced, seen and returned.

7. The plaintiff states that by virtue of the registration of its trade marks, the plaintiff is entitled to exclusive use of the same. The plaintiff also states that it is using the trade mark 'APEX' which is pending registration in favour of the plaintiff company. The plaintiff also claims copyright in respect of the following artistic works used by it in its product:

A) Picture of GATTU registered under the copyright Act bearing No. A-51167/91-CO first published in India in the year 1959.

B) Picture of "GATTU with ASIAN PAINTS (INDIA) LTD" under the number A-51166/91 claiming first published in India in the year 1959.

C) Asian Paints Utsav and picture of GATTU is registered under no. A-52668/94 claiming the first published in the year 1992."

8. The plaintiff states that it has been using "ASIAN PAINTS", "APCOLITE", "APEX" and "TRACTOR distemper" in respect of paints and synthetic enamel in unique designed containers and the said containers/packaging are having distinctive colour scheme, layout and get up. The trademarks are also written in a distinctive manner.

9. The plaintiff has disclosed the approximate sale figures of its product from 1995-96 to 2004-95. It shows that the sales have increased from Rs. 883,00,00000 in 1995-96 to Rs. 2255,00,00000 in 2004-05. The plaintiff has also incurred substantial expenditure on advertising which stood at Rs. 69 crores in the year 2004-05. The plaintiff claims that it has acquired valuable goodwill and reputation in respect of the aforesaid products with its trademark and copyright.

10. The further case of the plaintiff is that in the second week of July, 2005, the plaintiff learnt that the defendants are manufacturing, selling and marketing paints, distemper and synthetic enamel using the trademarks and copyright of the plaintiff in relation to its goods. The defendants were found to be using identical trademarks “APCOLITE”, “APEX” and “TRACTOR” in respect of synthetic enamel, paints and distemper as well as other allied and cognate goods. The defendant also adopted identical similar design of the containers-as that of the plaintiff, and were using identical colour scheme, get up, layout and arrangement of features which the plaintiff claimed to be its exclusive property. The defendants were also found to be using trademarks like “GREAT ASIAN”, “ASIAN GLOW” and “SUPER ASIAN”, which-according to the plaintiff, are deceptively similar to the plaintiff’s registered marks along with identical/look-alike packaging as that of the plaintiff. The plaintiff claims that upon investigation, the plaintiff learnt that defendant Nos. 1 to 3 are manufacturing and selling their goods i.e. synthetic enamel, paints and distempers throughout India and specially in Delhi, Haryana and adjoining areas. The plaintiff claims that it has made purchases of the samples of the infringing products of the defendants through a notary public. Copies of the notary reports along with photographs have been filed by the plaintiff. The plaintiff states that the packaging materials used by the defendants are identical and confusingly similar to that of the plaintiffs. The plaintiff has never authorized the defendants to manufacture or market their goods by using the same trademarks and/or deceptively similar marks and get up with that of the plaintiff. The plaintiff also states that the defendants are not their dealers/stockists/distributors or authorized persons, who are authorized to sell

the plaintiff's product. On the aforesaid basis, the plaintiff avers that the defendants are infringing their trademarks and copyrights and are passing off their product as that of the plaintiff. In fact, the defendants are counterfeiting the plaintiff's product by using identical trademarks, colour schemes and containers. The plaintiff further states that the defendant's actions are deliberate misrepresentation to the public at large, that the goods being manufactured, packaged and sold by them originate from the plaintiff. The conduct of the defendants is claimed to be dishonest and fraudulent qua the public.

11. The plaintiffs filed along with the suit copies of their registration certificates in respect of their trademarks, as aforesaid. The plaintiff also filed the photographs of their products as packaged, and the photographs of the products as packaged and sold by the defendants, which includes counterfeit product with the same trademarks and get up, which are claimed to be confusingly similar to those of the plaintiff.

12. The plaintiff-M/s Asian Paints (India) Ltd. has sought the following substantive reliefs in the suit:

*“a) For permanent injunction restraining the defendants themselves, their dealers, stockists, agents, shopkeepers and all other persons acting on their behalf from manufacturing, filling, distributing, selling and offer to sell the paints, distemper, synthetic enamel and any other allied and cognate goods using packing material/containers like **Annexure B** with or without the trademarks ASIAN PAINTS, APCOLITE, APEX and TRACTOR or any other similar/deceptively similar trademark amounting to infringement or copyright claimed by the plaintiff in its packaging materials/containers like **Annexure A** used for its products ASIAN PAINTS, APCOLITE, APEX, TRACTOR.*

b) *For permanent injunction restraining the defendants themselves, their dealers, stockists, agents, shopkeepers and all other persons acting on their behalf from manufacturing, filling, distributing, selling and offer to sell the paints, distemper, synthetic enamel and any other allied and cognate goods using trademarks ASIAN PAINTS, APCOLITE, APEX, TRACTOR, GREAT ASIAN, ASIAN GLOW and SUPER ASIAN etc. with or without the packaging like Annexure B, amounting to infringement trademarks ASIAN PAINTS, APCOLITE, APEX, TRACTOR which are registered in favour of the plaintiff as stated in para 8 of the plaint.*

c) *For permanent injunction restraining the defendants themselves, their dealers, stockists, agents, Shopkeepers and all other persons acting on their behalf from manufacturing, filling, distributing, selling and offer to sell the paints, distemper, synthetic enamel and any other allied and cognate goods using packing material/containers like **Annexure B** with or without the trademarks ASIAN PAINTS, APCOLITE, APEX, TRACTOR GREAT ASIAN, ASIAN GLOW and SUPER ASIAN or any other similar/deceptively similar trademark as well as from using any other packaging which may be similar and or deceptively similar to the packaging/container like **Annexure A** and/or any other trademarks which may be similar or deceptively similar to the trademarks of plaintiff i.e. ASIAN PAINTS, APCOLITE, APEX, TRACTOR amounting to passing off their goods as that of the plaintiff.*

d) *An order for delivery up upon affidavit by the defendants to the plaintiff for purposes of the destruction and or obliteration as the case may be of all the offending goods, container, blocks, dies, labels, wrappers, price list, leaflets, literature or any other infringing material for purposes of the destructions and/or erasure.*

e) *An order for damages to the tune of Rs.20,00,000/- suffered by the plaintiff on account of the illegal activities of the defendants.”*

13. On 21.09.2005, in IA. No. 7399/2005 preferred by the plaintiff under Order 39 Rules 1 & 2 CPC, the Court restrained the defendants from selling, trading, marketing and dealing in paints, distempers, synthetic enamel and any other allied product using packaging materials, containers like and similar to that of packaging container and material of the plaintiff, and from using trademarks Asian Paints, Apcolite, Apex, Tractor, Great Asian, Super Asian and Asian Glow on their goods and products, in any manner, till further orders. This order of injunction has continued to operate till date.

14. Upon being served, defendant Nos. 1 to 3 failed to file their written statements, and their right to file the same was closed on 18.07.2006. Thereafter, the said defendants have purported to file their written statement on 26.08.2006. However, the court has not condoned the delay and the said written statement has not been taken on record. Defendant No. 4 filed its written statement along with counter claim. The Court framed the following issues on 03.03.2008:

“i) Whether the plaintiff is the Registered Proprietor of the Trade Mark APCOLITE ROYALE, GATTU, APCOLITE, ASIAN PAINTS UTSAV, TRACTOR, TRACTOR (DEVICE)? (as per detail mentioned in Para 8 of the Complaint); OPP.

ii) Whether the plaintiff is the owner of Copyright bearing the Title GATTU, ASIAN PAINTS UTSAV? (as per detail mentioned in Para 9 of the Complaint); OPP.

iii) Whether the defendants have infringed the trademark “APCOLITE, APEX, TRACTOR, GREAT ASIAN, ASIAN GLOW, SUPER ASIAN” of the plaintiff and/or copyright of the plaintiff and/or are passing off their goods as that of the plaintiff; OPP.

iv) *Whether the plaintiff is entitled to damages as claimed for? OPP.*

v) *Relief.*

15. The following issues in the counter claim filed by the 4th defendant were also framed:

i) *Whether the counter claimant/defendant No.4 has suffered loss of business and reputation due to acts of the plaintiff;*

ii) *Whether the counter claimant is entitled to a decree of damages for the sum of Rs.10,00,000/- or any part thereof;*

ii) *Relief, if any.”*

16. I may note that since the plaintiff has withdrawn the suit qua defendant No. 4, and defendant No. 4 has also withdrawn its counter claim on 07.02.2012, the issues framed in respect of defendant No. 4 have no relevance any longer.

17. The plaintiff led the evidence of Shri Sunil S.Jaifalkar, the constituted attorney of the plaintiff as PW1 on affidavits towards examination-in-chief (Ex.PW1/A), which was tendered in evidence on 18.09.2009. He also exhibited several documents i.e. Ex.PW1/1 to Ex.PW1/6 as per his affidavit by way of evidence. The said witness was cross-examined by defendant No. 4. Defendant No. 4 did not lead any evidence. Defendant No. 3 was proceeded ex-parte on 07.02.2012. The plaintiff closed its evidence on 20.12.2012. Defendant Nos. 1 to 3 did not avail of the opportunity to cross-examine the plaintiff's witnesses.

18. Learned counsel for the plaintiff submits that on the basis of the un rebutted evidence led by the plaintiff, the case of the plaintiff stands established in its entirety. The plaintiff has placed on record the copy of the Power of Attorney in favour of Mr. Sunil S.Jaifalkar (Ex.PW1/1) duly authorizing him to institute the present suit. The plaintiff has also placed on record the trademark registration certificates in favour of the plaintiff in respect of its aforesaid marks as Ex.PW1/2 collectively. The extracts from the Register of Copyrights in respect of the following copyright claimed by the plaintiff have been placed on record as Ex.PW1/3.

- a) Picture of Gattu registered under the copyright Act bearing no A-51167/91-CO first published in India in the year 1959*
- b) Picture of Gattu with Asian Paints (India) Ltd” under the number A-51166/91 claiming first published in India in the year 1959.*
- c) Asian paints Utsav and picture of Gattu is registered under no A-52668/94 claiming the first published in the year 1992.*

19. The photographs of the plaintiff’s product are Ex.PW1/4. The photographs of the defendants products are Ex.PW1/5. The notary report regarding purchase of the defendants’ products are collectively Ex.PW1/6.

20. A bare perusal of Ex.PW1/4 on the one hand, and Ex.PW1/5 on the other hand, leaves no manner of doubt that the defendants have counterfeited the plaintiff’s products since they have been using the same marks in respect of their similar products. Moreover, the defendants have also adopted the same colour scheme, layout and get up, as adopted by the plaintiff and in which the plaintiff holds the copyright and registration of trademarks. The

use of the mark GREAT ASIAN, ASIAN GLOW and SUPER ASIAN by the defendants is also actionable, since these marks are apparently confusingly similar to those of the plaintiff's marks, as ASIAN constitutes the dominant feature of the plaintiff's marks. ASIAN in respect of paints cannot be claimed to be generic. The adoption of the infringing marks by the defendant Nos. 1 to 3 cannot be said to be bona fide and the registered marks of the plaintiff have clearly been infringed by the defendants. There is merit in the plaintiff's submission that the purchaser of materials, such as paints and enamels, are not only the educated class, but also the semi-literate and illiterate class, and thus the possibility of deception are even higher. The plaintiff is, thus, entitled to the injunction relief sought in the suit.

21. Learned counsel for the plaintiff submits that the plaintiff is also entitled to damages, apart from the injunctive relief prayed for in the suit. Reference has been made to the decision of this Court in *Asian Paints India Ltd. Vs. Balaji Paints and Chemicals and Others* 2006(33) PTC 683 (Del) and *Asian Paints (I) Ltd. Vs. Ved Prakash Srivastava & Ors.* 2006(32) PTC 691 (Del) and *Time Incorporated Vs. Lokesh Srivastava & Anr.* 2005(30) PTC 3 (Del.), to submit that the Court should, in such circumstances-where the defendant has not appeared to contest the proceedings, award punitive damages so as to deter such misadventure by them. I find that these decisions, in turn, have referred to several earlier decisions of the courts on the same point. The Courts have held that in such a case, where the defendant has chosen not to appear, the Court should award damages and the defendant should not be permitted to enjoy the benefit of evasion of court proceedings. The rationale is that-while defendants who appear in court may be burdened with damages, those defendants-who chose to stay away

from the court, should not escape such damages being awarded by the court as their actions have injured the plaintiff and have subjected the plaintiff to avoidable expenses and harassment. Every endeavour should be made, for a larger public purpose, to discourage such parties from indulging in acts of deception and infringement.

22. In view of the aforesaid discussion, the suit of the plaintiff is decreed in following terms:

- (i) The defendants, their dealers, stockists, agents, shopkeepers and all other persons acting on their behalf are restrained in perpetuity from manufacturing, filling, distributing, selling and offer to sell the paints, distemper, synthetic, enamel and any other allied and cognate goods by using packing materials/containers like the following:









with or without the trademarks ASIAN PAINTS, APCOLITE, APEX, TRACTOR, GREAT ASIAN, ASIAN GLOW and SUPER ASIAN or any other deceptively similar trademark.

(ii) The plaintiff is also awarded damages in the sum of Rs. 5,00,000/- against the defendant Nos. 1 to 3.

23. The suit stands decreed in the aforesaid terms.

VIPIN SANGHI, J

JULY 17, 2013

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