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

Date of Decision: 13th September, 2023

+ **CS(COMM) 299/2022 and I.A. 7153/2022, 16007/2022, 17610/2022, 11215/2023, 16205/2023**

PERNOD RICARD INDIA PRIVATE LIMITED Plaintiff

Through: Mr. Hemant Singh, Mr. Sambhav Jain, Mr. Anuraj Tirthankar & Mr. Akhil Saxena, Advocates. (M: 9958864541)

versus

GAGAN WINE TRADE AND FINANCIERS LIMITED
& ORS. Defendants

Through: Mr. Shailen Bhatia, Ms. Ekta Nayyar Saini, Mr. Arnav Chatterjee, Mr. Nakul Mehta, Advs. (M: 9818558690)

CORAM:

JUSTICE PRATHIBA M. SINGH

Prathiba M. Singh, J.(Oral)

1. This hearing has been done through hybrid mode.
2. The present suit has been filed by the Plaintiff-M/s Pernod Ricard India Pvt. Ltd. seeking a permanent injunction against three Defendants namely, Defendant No. 1-Gagan Wine Trade and Financiers Ltd., Defendant No. 2-Green Valley Town Planners Pvt. Ltd. and Defendant No. 3-Galestorm Distillery Pvt. Ltd (*hereinafter, 'the Defendants'*). The Defendant No. 3 is engaged in the bottling and blending of Indian Made Foreign Liquor such as Whisky. The Defendant No. 3 was approached by the Defendants No. 1 and 2 to manufacture and blend goods being whisky under the trade mark/ label IMPERIAL VAT NO. 1.



3. The present suit relates to the packaging, label and the overall get-up of the Plaintiff's product labelled 'IMPERIAL BLUE' whiskey. The Plaintiff's case is that the Plaintiff has trademark registrations for the mark 'IMPERIAL BLUE', the label, the three-dimensional bottle, the packaging, and has rights in respect of various other elements constituting the distinctive packaging of the Plaintiff.

4. The Plaintiff's grievance in the present suit is that the Defendants who are selling 'IMPERIAL VAT NO. 1' whiskey, have imitated the entire label, get-up, font size, manner of writing, colour combination and placement of elements including the shape of the bottles. The comparative features of the Plaintiff's product and the Defendants' products is set out below:

<u>COMPETING PRODUCTS</u>	
The competing trade marks, get-up and trade dress are used by both parties for identical product namely ' <i>Indian whisky</i> '	
COMPETING TRADE MARKS	
<i>Plaintiff's TM Regn. No. 1682732 dated 1st May 2008</i>	<i>Defendants' product ('impugned packaging')</i>
	



Mono-carton

*Plaintiff's TM Regn. No.
3296387 dated 28th June 2016*



Bottles

*Plaintiff's TM Regn. No.
3263961 dated 19th May 2016*





5. As per the Plaintiff, the grievance was that the following features of the two products are similar/imitative in nature. The same are mentioned below:

- (i) The overall colour combination, comprising predominantly of a blue label, brands written in white colour, borders and textual material in golden colour;
- (ii) The identical manner of writing the brands with “IMPERIAL” written in an arched-manner, and the remaining portion of the brand written below it;
- (iii) The insignia with the crest device placed on top of the label in golden colour, right above the depiction of the trade mark.

6. The Plaintiff claims that it has an annual turnover of Rs.2796 crores in the year 2020-21, and it has rights both in the mark ‘IMPERIAL BLUE’, as also in various elements forming the part of the whole product including the label, packaging, colour combination, get up, various depicted on the said product.

7. The allegation in the suit is that the Defendants have deliberately imitated the distinctive elements of the Plaintiff's packaging and products, and hence an injunction was sought in the suit along with the damages and other reliefs.

8. Vide order dated 9th May, 2022, in the present suit, after considering the matter, an *ex-parte ad-interim* injunction was granted in the following terms:

“24. Having heard learned counsel for the Plaintiff, this Court is of the view that Plaintiff has made out a prima facie case for grant of ex parte ad interim injunction. Balance of convenience lies



in favour of the Plaintiff and it is likely to suffer irreparable harm in case the injunction, as prayed for, is not granted.”

9. The said order was, thereafter, clarified vide order dated 1st February, 2023 in the following terms:

“1. Counsel for the defendants submits that the settlement could not be worked out between the parties.

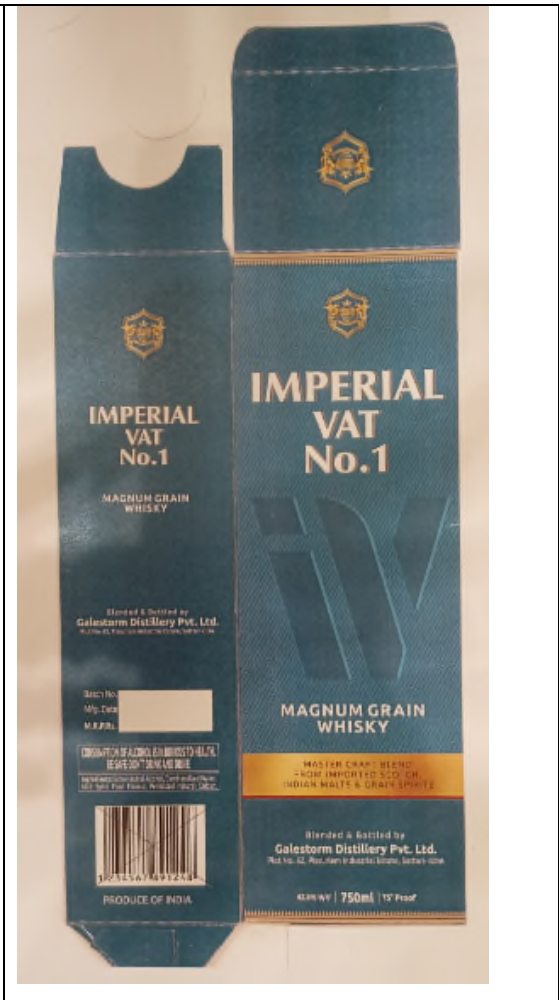
2. List the pending applications for hearing on 20th April, 2023.

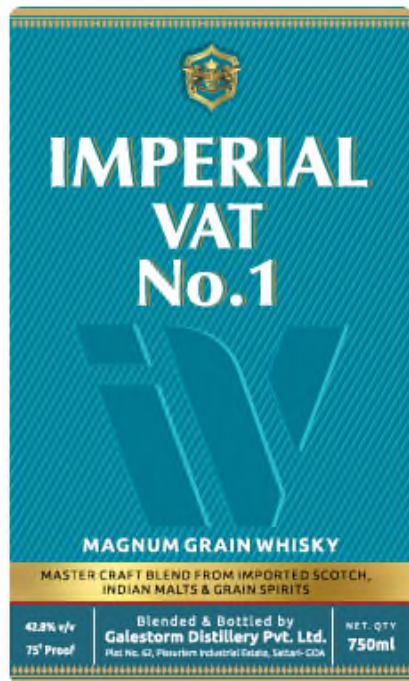
*3. The exparte ad interim order passed by this Court on 9th May, 2022 is clarified to the extent that **there is no injunction operating against the defendants from using the 'IMPERIAL VAT NO.1' word mark per se in respect of its products.***

4. Subject to the aforesaid clarification, the interim orders shall continue till the next date of hearing.”

10. In the meantime, the Defendants moved application bearing no. ***I.A. 16007/2022*** under Order XXXIX Rule 4 CPC, an application bearing no. ***I.A.11215/2023*** for disposal of existing stocks, and an application ***I.A. 16205/2023*** under Order VII Rule 10 and 11 CPC. The said applications have been listed for hearing today.

11. Notice was issued on the application ***I.A. 11215/2023*** for disposal of goods on 25th August, 2023. The matter has been heard. Mr. Shailen Bhatia, Id. Counsel submits that the Defendants have agreed to modify the packaging, the colour and the other writing styles, fonts, etc. The new label proposed by the Defendants, along with the new packaging is extracted below:







The above proposed label, carton, colour scheme, packaging and shape of bottle is acceptable to the Plaintiff.

12. In addition, the inventory of stock lying with the Defendant No.3 has also been handed over in Court by Mr. Bhatia. The same shows that the total manufactured stock of whiskey bottles lying with the Defendant No. 3 is to the tune of 2806 bottles, valued between Rs. 1 to 2 lakhs. The Defendant No.3 also has substantive stock of packaging material in the form of cartons and labels.

13. Considering the fact that the Defendant No. 3 has agreed to change the label and the carton, which is also acceptable to the Plaintiff, insofar as the manufactured stock is concerned, the Defendant No. 3 is permitted to dispose the 2806 bottles of manufactured/packed whiskey, within three



months.

14. Insofar as the remaining unused packaging material is concerned, the same shall either be destroyed or recycled and give a confirmation of the same to the counsel for the Plaintiff. It is made clear that the Defendants shall not use the manufactured stock of packaging or labels bearing the mark 'IMPERIAL VAT NO.1' under the impugned packaging, which are infringing in nature.

15. Insofar as the main suit is concerned, since the Defendants have agreed to change the label and the carton, an issue has been raised by the Plaintiff in respect of the coat of arms used on the carton and label.

16. After some arguments, Id. Counsel for the Defendants submits that the Defendants would use the coat of arms, that was used earlier, without the words '*Green Valley*'. According to the Id. Counsel for the Defendants, the earlier use of the coat of arms was not objected to by the Plaintiff. The same is set out below for the sake of clarity:



17. Going forward, therefore, the Defendants shall not manufacture any fresh stock carrying the impugned cartons/ labels and packaging displayed in the table of paragraph 4 above. However, the bottles, if any, may be



recycled and used.

18. The fresh approved label set out in paragraph 9 above shall now be used by the Defendants for the purposes of fresh manufacturing. In view of the fact that sufficient amount of packaging material is being directed to be either destroyed or either recycled, no costs or damages are pressed by Id. Counsel for the Plaintiff.

19. Accordingly, with the consent of parties, a decree of permanent injunction is granted restraining the Defendants their directors, distributors, retailers, assigns etc., or any one acting for or on their behalf, from manufacturing, selling, offering for sale, advertising or in any other manner using the impugned 'IMPERIAL VAT NO.1' product label, packaging, get up and trade dress as set out in paragraph as mentioned in paragraph 4 above including the shape of the bottle or any other packaging or label which is deceptive, or imitative of the Plaintiff's packaging/label/get up under the mark 'IMPERIAL BLUE'.

20. It is, however, made clear that the Defendants are free to use the mark 'IMPERIAL VAT NO.1' as their trademark for any fresh manufacture under the label/get-up/trade dress in terms of paragraph 9 of the present order.

21. The Defendants are free to use the packaging/label/ get up extracted in paragraph 9 along with the emblem/ coat of arms as approved in paragraph 14 above without the mark/name '*Green Valley*'.

22. The suit decreed in the above terms. The present suit, along with all pending applications is disposed of.

PRATHIBA M. SINGH
JUDGE

SEPTEMBER 13, 2023/dj/dn