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

+ CS(COMM) 500/2022 & I.A. 11470/2022, I.A. 17287/2022, I.A. 9217/2023

LEVI STRAUSS AND CO

..... Plaintiff

Through: Mr. Dushyant K. Mahant, Mr. Urfee Rooi, Ms. Janaki Arun, Ms. Jaskaran Singh, Ms. Anuja Chaudhury and Ms. Soumya Jain, Advocates.

versus

NAB PRODUCTIONS PRIVATE LIMITED AND ORS
& ORS.

..... Defendants

Through: Mr. Sujoy Kumar and Mr. Raghav Kumar, Advocates for D-1 to 4.
Mr. Gaurav Gupta, Authorized Representative of D-5, through VC.

**CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA**

ORDER

22.01.2024

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I.A. 1606/2024(under Order III Rule 4(2) r/w Section 151 of CPC)

1. Mr. Sujoy Kumar, counsel appearing for Defendants No. 1 to 4, states that he has not received any communications/ instructions from his clients despite efforts made by him to contact them. Accordingly, the instant application is filed seeking discharge of Mr. Sujoy Kumar and Mr. Raghav Kumar, Advocate on Record for Defendants No. 1 to 4, from representing the said Defendants.

2. Mr. Sujoy Kumar points out that the said Defendant were already

proceeded *ex-parte*, as recorded in order dated 21st December, 2023. Nonetheless, he states that the said Defendants have been duly intimated of the hearing scheduled for today through e-mail, WhatsApp and courier. All these communications have been delivered, however, none of the said Defendants have contacted the counsel. They are also not represented today by any other counsel.

3. In view of the above, application is allowed with the direction Mr. Raghav Kumar, Advocate and Mr. Sujoy Kumar, Advocate are discharged from representing Defendants No. 1 to 4.

4. Disposed of.

I.A. 25119/2023 (under Order XXIII Rule 3 of CPC)

5. This joint application on behalf of Plaintiff and Defendant No. 5 seeks passing of a consent decree in accordance with the terms of settlement delineated at Paragraph No. 3 of the instant application.

6. Mr. Gaurav Gupta, constituted attorney of Defendant No. 5, who has joined the proceedings through video conferencing mechanism, confirms the terms of settlement mentioned in the application and assures the Court that he will honour the same.

7. The Court has perused the terms of the compromise and finds the same to be lawful. It is noted that the application is duly supported with affidavits of the authorized representatives/ constituted attorneys of Plaintiff and Defendant No. 5.

8. In light of the above, the present suit is decreed in favour of Plaintiff and against Defendant No. 5, in terms of the settlement recorded in Paragraph No. 3 of the instant application, which shall form part of the

decree. The parties shall remain bound by the said terms of settlement.

9. Decree sheet be drawn up.

10. With the above directions, the application is disposed of.

CS(COMM) 500/2022

11. Mr. Dushyant K. Mahant, counsel for Plaintiff, presses for a decree against Defendants No. 1 to 4 under Order VIII Rule 10 read with Order XIII A of the Code of Civil Procedure, 1908 (CPC).

12. Plaintiff/ Levi Strauss & Co. is a multinational company incorporated under the laws of the State of Delaware, United States of America (USA), having headquarters in San Francisco, USA. Plaintiff is the proprietor of various trademarks in India and around the world. Amongst Plaintiff's most prominent marks is the 'Arcuate Stitching Design mark', used on and in relation to readymade clothing, most prominently for denim jeans [***ASD mark***"]. The ASD Mark is shown as below:



13. Plaintiff's ASD Mark has received world-wide recognition, having first been used in the year 1873. Documents to support this statement have been placed on record. In India, Plaintiff has secured statutory trademark rights, registration details whereof are mentioned in Paragraph No. 41 of the plaint. Moreover, the ASD Mark has also been recognised by this Court as having status of a 'well-known' mark¹. Additionally, Plaintiff has incurred substantial expenses in advertising, *inter alia*, denim jeans bearing Plaintiff's ASD Mark. Details of such expenses have also been enumerated in the plaint.

14. In the instant suit, Plaintiff's grievance arises on account of alleged infringing activities of Defendants No. 1 to 4. Defendant No. 1/ Nab Productions Private Limited is a company wherein Defendants No. 2 and 3 are the Directors and Defendant No. 4 is the 'Head- Planning and Operations.' Plaintiff claims that the said Defendants manufacture readymade garments through Defendant No. 5/ JMK Hosiery, which include denim jeans bearing the ASD mark on the pockets. Defendants' impugned stitching design mark [***"Impugned Mark"***] is reproduced as under:



15. Mr. Mahant points out that the Impugned Mark is nearly identical to Plaintiff's ASD Mark. The similarity between the two marks is immediate

¹ Judgment dated 24th March, 2022, in CS(COMM) 657/2021 titled '*Levi Strauss & Co. v. Imperial Online*

and unassailable, and thus is bound to create confusion in the minds of general public. A comparison of the impugned stitching designs used by Defendants is as follows:

<i>Impugned Stitching Design Mark</i>	<i>Plaintiff's Arcuate Stitching Design Mark</i>
	
	

16. On 13th November, 2019, Plaintiff's Indian representative issued legal notice to Defendant No. 1 asserting their prior rights to the ASD Mark, which Defendant No. 1 responded to by indicating intention to amicably resolve the matter. Subsequently, Defendant No. 1 sent written undertakings dated 18th January, 2020, duly executed by Defendants No. 2 and 3 on

Services Private Limited.'

behalf of the Defendant No. 1, to the Plaintiff's Indian representatives [*“Undertakings”*]. The relevant portions of the said Undertakings are extracted as follows:

“2. These undertakings bind not only NPIPL, but also its subsequent assigns, related persons, entities or any concerns under its control, and the directors of NPIPL in their individual and personal capacities

XXX ... XXX ... XXX

6. Within a period of five (5) working days from effective Date, NPIPL will cease any and all uses of (a) the stitching designs and the tab device shown in Annexure C; (b) the LS & Co. Marks incorporating the LS & Co. Marks; and (d) any marks similar to the LS & Co. Marks, on and in relation to any goods and/ or services, including, but not limited to, readymade garments and related goods and service. Specifically, NPIPL will, within a period of five (5) working days from the effective Date, destroy any inventory of finished or unfinished jeans, and other materials , such as advertising and promotion materials bearing the marks in 6(a) to (d) above that are in its possessions or control;

XXX ... XXX ... XXX

8. NPIPL undertakes to never use or have any involvement in the manufacture, distribution or sale of goods, including jeans, at any future time, whether directly or indirectly, bearing any of the following (a) the stitching designs and the tab device shown in Annexure C; (b) the LS & Co. Marks; (c) any marks incorporating the LS & Co. Marks; or (d) any marks similar to the LS & Co. Marks;”

XXX ... XXX ... XXX

13. NPIPL will not, whether directly or indirectly, through a related person, entity or otherwise, cause, enable or assist another party to do any of the acts that it is undertaking not to do;”

17. From the aforementioned extraction, it appears that the Undertakings bind not only Defendant No. 1, but also any entities or persons related to the Defendants and the directors of Defendant No. 1. Accordingly, it would follow that all Defendants are bound by the Undertakings, as elucidated below:

17.1. Defendants No. 2 and 3, being directors of Defendant No. 1, are clearly bound by the Undertakings.

17.2. Defendant No. 4, being an employee of Defendant No. 1 and a related party that is manufacturing readymade clothing for marketing and sale by Defendant No. 1, is also bound by the terms of the undertakings.

17.3. Since Defendant No. 5 is a related/affiliated entity of Defendant No. 1 — which is discernible from the fact that Defendant No. 5 is selling denim jeans under the same brand names as Defendants No. 1 and 4 — they are also bound by the undertakings executed by Defendants No. 2 and 3.

18. Further, as per the above-extracted Paragraph No. 6, the Defendants were under an obligation to cease any and all use of the Impugned Mark within a period of five working days from 18th January, 2020 (being the “Effective Date” as defined in Paragraph No. 3 of the Undertakings), i.e., by 23rd January, 2020. Moreover, as per Paragraph No. 8, Defendants also undertook not to utilise any similarly infringing designs in the future. However, despite the assurances made in the Undertakings, Defendants have continued to produce infringing readymade clothes bearing the Impugned mark.

19. In view of the above background, Mr. Mahant states that Plaintiff would be satisfied if the Court were to grant permanent injunction in their favour, as well as award the entire costs of the suit in their favour. He further states that Plaintiff not pressing their prayers for damages.

20. The Court has considered the aforesaid. It is pertinent to note that the suit has already been decreed against Defendant No. 5 in terms of settlement arrived at with the Plaintiff. On the other hand, although Defendants No. 1 to 4 have been served, they have refrained from joining the present

proceedings and have been proceeded *ex-parte*. The statutory time period of 30 days, as well as the overall condonable limit of 120 days, to file written statement has expired. Thus, Defendants No. 1 to 4 have no defence to the present suit.

21. The terms of the Undertakings as extracted above clearly bind the Defendants. Despite having assured and undertaken not to infringe Plaintiff's ASD Mark, Defendants brazenly and blatantly continued to do so the same, which establishes that Defendants are habitual offenders. Therefore, the Court is satisfied that Plaintiff is entitled to decree under Order VIII Rule 10 of the Code of Civil Procedure, 1908 (CPC), as well as in terms of Order XIII A Rules 3 and 6(1)(a) of CPC.

22. Accordingly, the suit is decreed in favour of Plaintiff and against Defendants No. 1 to 4 in the following terms:

22.1. Decree is passed in favour of Plaintiff and against Defendants No. 1 to 4 in terms of prayers stated in Paragraphs No. 81(a) to 81(g) of the plaint.

22.2. As Plaintiff is not pressing for any damages, no directions are required to be passed in respect of prayers stated in Paragraphs No. 81(h) to (j) of the plaint.

22.3. As regards prayer stated in Paragraph No. 81(k), the Plaintiff is entitled to actual costs, in terms of the Commercial Courts Act, 2015 and Delhi High Court (Original Side) Rules, 2018 read with IPD Rules, recoverable from Defendants No. 1 to 4, jointly and severally. Plaintiff shall file its bill of costs in terms of Rule 5 of Chapter XXIII of the Delhi High Court (Original Side) Rules, 2018 on or before 31st January, 2024. As and when the same is filed, the matter will be listed before the Taxing Officer for computation of costs.

23. Decree sheet be drawn up.
24. File be consigned to record room.
25. Disposed of, along with pending applications.

SANJEEV NARULA, J

JANUARY 22, 2024

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