

IN THE HIGH COURT OF JUDICATURE AT BOMBAY**ORDINARY ORIGINAL CIVIL JURISDICTION****SUIT NO. 361 OF 2014**

Ajanta Pharma Limited,]
a company incorporated under the]
Companies Act, 1956 having its registered]
Office at Ajanta House, Charkop,]
Kandivli (West), Mumbai 400 067] Plaintiff

VERSUS

1. Transcend Therapeutics Pvt. Ltd.]
having its registered office at No: 2 Flat No:]
G-1, Anandhi Flats, 28th Street, Nanganallur,]
Chennai- 600061, Tamil Nadu]
2. Lyra Laboratories Pvt. Ltd.]
having its registered office at Baddi,]
Barotiwala Road, Buranwala, District Solan,]
Himachal Pradesh- 174103] Defendants

Mr. Hiren Kamod, Advocate a/w Ms. Akshata Kamath, Advocate i/b W.S.
Kane & Co, Advocates for the Plaintiff.

Mr. Asim Hazra, Asst. Manager (Legal) and Authorized Signatory of the Plaintiff abovenamed, present.

None for Defendants.

CORAM : S. J. KATHAWALLA, J.
DATE : July 1st, 2015.

ORAL JUDGMENT:

1. The Plaintiff is a company incorporated under the Companies Act, 1956, having its registered office at the address mentioned in the cause title and is engaged inter alia in the business of manufacturing and trading pharmaceutical and medicinal preparations.
2. According to the Plaintiff, the Defendant No.1 is a company incorporated under the Companies Act, 1956 and carries on business as marketer of inter alia the medicinal and pharmaceutical preparations manufactured by the Defendant No.2. The Defendant No.1 has its registered office at the address mentioned in the cause title. The Defendant No. 2 is also a company incorporated under the Companies Act, 1956 and has its registered office at the address mentioned in the cause title. The Defendant No.2 carries on business as manufacturer of medicinal and pharmaceutical preparations.

3. The Plaintiff has filed the present Suit against the Defendants, inter alia, for an order and perpetual injunction restraining the Defendants from in any manner whatsoever, infringing the Plaintiff's registered trade mark PEROCLIN bearing registration No.2213092 in class 05 and also from passing off the Defendants' goods as and for those of the Plaintiff's goods and/or enabling others to do so by using of the impugned trade mark "PROCLIN" or any other trade mark deceptively similar to the Plaintiff's registered trade mark PEROCLIN in respect of medicinal and pharmaceutical preparations.
4. The Defendant No.1 has already submitted to a decree on admission and an order disposing of the suit against the said Defendant has been passed by this Court on 17th April 2014.
5. Since the Plaintiff has its registered office in Mumbai and carries on its business in Mumbai, this Court has jurisdiction to try and entertain this Suit with respect to the cause of action for infringement by virtue of Section 134 of The Trade Marks Act, 1999 (hereinafter, "the Act"). The Plaintiff had filed Leave Petition No.78 of 2014 for obtaining leave under Clause XIV of the Letters Patent to combine the cause of action for passing off with the cause of action for infringement, which leave was granted by this Court by an order dated 17th April, 2014.

6. The Plaintiff had also taken out Notice of Motion No.619 of 2014 seeking ad-interim and interim reliefs against the Defendants. By an order dated 21st November 2014, this Court passed an order making the said Notice of Motion absolute against the Defendant No.2 in terms of prayer clauses (a) and (b) of the Notice of Motion.
7. As the Defendant No.2 has failed to remain present or file its Written Statement despite being served with the Writ of Summons, by an order dated 14th October 2014 the above Suit was transferred to the list of undefended suits against Defendant No. 2. On 10th June 2015, the above suit was directed to be listed under the caption "For ex-parte decree" against the Defendant No.2, today.
8. The Plaintiff has filed the Affidavit dated 29th June, 2015 in lieu of Examination-in-Chief of Mr. Asim Hazra who is the Asst. Manager (Legal) and Authorized Signatory of the Plaintiff Company, along with the Compilation of Documents which are taken on record and marked as Exhibits P-1 to P15.
9. Mr, Kamod, the Ld. Advocate for the Plaintiff submits that the Plaintiff carries on an old, established and reputed business, inter alia as manufacturer of and trader in pharmaceutical and medicinal preparations and that it is recognized as one of the leading Indian pharmaceutical companies whose products and ethical formulations are

developed through advance research and known for their superior quality. He states that for the past several years, the Plaintiff has been using several distinctive trade marks with a view to distinguish its pharmaceutical and medicinal preparations from those of others as well as inter se. One such trade mark invented by the Plaintiff is PEROCLIN which the Plaintiff adopted for use upon and in relation to its pharmaceutical and medicinal preparation. It is stated that on or around 29th September, 2011, the Plaintiff applied for and obtained registration of the trade mark PEROCLIN under registration No. 2213092 in Class 05, which registration is valid upto 29th September, 2021. The original certified copy of the entry in the Register of Trade Marks relating to the said trade mark for use in legal proceedings is at Exhibit P-2 to the Compilation of Documents. It is further stated that the Plaintiff has been continuously and extensively using the said trade mark in respect of its pharmaceutical and medical preparation containing the composition "Clindamycin & Benzoyl Peroxide" in gel form prescribed for treatment of inflammatory acne vulgaris. Specimen of the Plaintiff's packaging containing the Plaintiff's said trade mark is at Exhibit "P-3" to the Compilation of Documents.

10. Mr. Kamod submits that the Plaintiff is the registered proprietor of the said trade mark "PEROCLIN" bearing registration No. 2213092 in Class

05. He submits that since the past many years, the Plaintiff has been regularly, openly and extensively using the said trade mark "PEROCLIN" in relation to the said goods. He submits that the Plaintiff has so far sold the said goods bearing the said trade mark worth more than Rupees One crore. He submits that the Plaintiff's said trade mark is inherently distinctive. He further submits that even otherwise, by reason of continuous and extensive user of the said trade mark by the Plaintiff in relation to the said medicine and the efforts taken by it in popularizing the said goods sold under the said trade mark, as also by reason of high efficacy and superior quality of the said goods sold under the said trade mark, the Plaintiff's said goods and the said trade mark enjoy wide and enviable reputation and goodwill amongst the doctors, chemists and the general public. He submits that consequently, the said trade mark "PEROCLIN" has become distinctive of the Plaintiff's said goods and connotes and denotes to the members of the medical profession, trade and general public, the said goods of the Plaintiff and of none else. It is submitted that the Plaintiff has incurred substantial amount of expenses and efforts in promoting and popularizing its goods bearing its registered trademark and thus the mark "PEROCLIN" is well known and is solely and exclusively associated by the members of the trade and public with the Plaintiff alone and none else. It is submitted that as a result of extensive user of the said trade mark in respect of the said goods, large

sales, wide publicity of the Plaintiff's said goods bearing the said trade mark and superior quality and high efficacy of the Plaintiff's said goods, the said trade mark has acquired wide and immense reputation and goodwill. The said trade mark, in the circumstances, has been exclusively connoting and denoting the Plaintiff's said goods. The Plaintiff has also produced a list of its Annual Sales and Sales Promotional Expenses in respect of the goods sold under the trade mark "PEROCLIN" for the period 2013-2014. The Certificate issued by the Plaintiff's Chartered Accountant evidencing the same is at Exhibits P-8 to the Compilation of Documents. The Plaintiff has also produced original invoices in respect of sale of the said goods bearing the trade mark "PEROCLIN". The said invoices are at Exhibit P-4 to P-7 to the Compilation of Documents. The Plaintiff has further produced sales promotional material in respect of its said goods sold under the said trade mark PERCOLIN. The said sales promotional material are at Exhibits P-9 to P-12 to the compilation of documents.

11. Mr. Kamod submits that in view of the above, valuable statutory and common law rights have come to be vested in the Plaintiff. He submits that Defendants are using the impugned trademark "PEROCLIN" in respect of identical goods (i.e. medical preparation containing the composition "Clindamycin & Benzoyl Peroxide" in gel form prescribed for

treatment of inflammatory acne vulgaris) covered by the registration of the Plaintiff. He further contends that there is bound to be confusion and deception when chemists, patients or hospitals place orders for the Plaintiff's medicinal preparation via telephone.

12. Mr. Kamod submits that on or about 18th March, 2014, the Plaintiff was surprised to receive a letter dated 10th March, 2014 from the Defendant No.1 wherein it claimed that it has a topical gel for Acne under the name "PROCLIN GEL"; that doctors have expressed their concern for getting the Plaintiff's "PEROCLIN GEL" instead of "PROCLIN GEL" as both were meant for different set of patients; that reverse was also possible; that in order to avoid confusion, the Plaintiff should change to an alternate brand immediately. Copy of the said letter is at Exhibit "P-14" to the Compilation of Documents. Mr. Kamod submits that thereafter, the Plaintiff made enquiries when it came to learn that the Defendant No.1 is marketing and the Defendant No.2 is manufacturing a medicinal and pharmaceutical preparation containing the composition "Clindamycin Phosphate, Nicotinamide & Allantoin" in gel form under the trade mark "PROCLIN" and that the impugned goods are also prescribed for treatment of acne like the Plaintiff's goods sold under the trade mark "PEROCLIN". Specimen of the Defendants' carton bearing the trade mark "PROCLIN" at Exhibit "P-15" to the Compilation of Documents.

13. Mr. Kamod submits that the Defendants' impugned trade mark PROCLIN is deceptively similar to the Plaintiff's said trade mark PEROCLIN. He states that the Defendants have merely deleted the letter "E" from the Plaintiff's said trade mark "PEROCLIN" and are using such modified trade mark in respect of the impugned goods. He submits that such modified trade mark does not make the impugned trade mark PROCLIN different from the Plaintiff's said registered trade mark PEROCLIN. He submits that vide its aforesaid letter dated 10th March, 2014 the Defendant No.1 has in fact admitted that simultaneous use of the rival trade marks creates confusion and it is possible that the Defendant No.1's goods would be sold instead or in place of the Plaintiff's goods bearing the trade mark "PEROCLIN". He further submits that the goods in respect of which the impugned trade mark is being used by the Defendants are same as the goods in respect of which the Plaintiff has been using the trade mark "PEROCLIN" in respect of which the Plaintiff has secured registration of its said trade mark under registration No. 2213092 in Class 05.
14. Mr. Kamod submits that the Plaintiff's medicinal and pharmaceutical preparations bearing the mark "PEROCLIN" are being sold throughout India and thus the Defendants were aware and/or ought to have been aware of the existence of the Plaintiff's mark "PEROCLIN". The Plaintiff has therefore contended that the adoption by the Defendants of the

impugned mark “PROCLIN” is a dishonest and deliberate attempt to encash and trade upon the goodwill and reputation of the Plaintiff. The Plaintiff has stated that if Defendant No.2 is not restrained from continuing the acts of infringement and passing off by use of the impugned mark “PROCLIN”, the Plaintiff will suffer irreparable loss and injury.

15. I have considered the submissions made on behalf of the Plaintiff and have also perused the pleadings and the evidence led by the Plaintiff. After consideration of the same, I find merit in the submissions made on behalf of the Plaintiff. The Plaintiff has proved all its contentions satisfactorily by providing substantial material in support of the same. It is clear that the impugned mark “PROCLIN” being used by Defendant No.2 is identical with and/or deceptively similar to the Plaintiff's registered trademark “PEROCLIN”. Hence, the continued use of the impugned trademark by Defendant No. 2 is bound to create confusion and deception in the minds of the public. Further, since the Defendant's gel sold under the trade mark PROCLIN contains the composition “Clindamycin Phosphate, Nicotinamide and Allantoin” which is different from the composition of the Plaintiff's gel which is “Clindamycin & Benzoyl Peroxide”, the possibility of patients using the Defendant's gel in place of the Plaintiff's gel should be avoided at any cost as the same may lead to unpleasant consequences.

16. Defendant No.2 has remained absent despite the service of Writ of Summons by the Plaintiff. There is no written statement on record. Thus, there is no explanation provided or defence raised by the Defendant in respect of the use of the impugned mark "PROCLIN" which is identical with and/or deceptively similar to the Plaintiff's registered trademark "PEROCLIN". The evidence of the Plaintiff is therefore uncontroverted. It is quite clear that Defendant No.2 by use of the impugned mark is dishonestly attempting to trade on the goodwill and reputation of the Plaintiff thereby causing irreparable loss and damage to the Plaintiff. In view thereof, it is established that the Defendant No.2 is infringing the trademark of the Plaintiff and is passing off its medicinal and pharmaceutical preparation as that of the Plaintiff's goods

17. The Plaintiff is not pressing for damages other than punitive damages. In the circumstances, suit is decreed against the Defendant No.2 in terms of Prayer Clauses (a), (b) and (d) of the Plaint which are reproduced hereunder. Costs to be quantified as per rules.

(a) that the Defendants by themselves, their directors, servants, stockists, distributors and agents be restrained by a perpetual order and injunction of this Court from infringing the Plaintiff's registered trademark PEROCLIN bearing registration No. 2213092 in class 05 by use of the impugned trademark

“PROCLIN” or any other trademark deceptively similar to the Plaintiff's registered trademark PEROCLIN in respect of medicinal and pharmaceutical preparations or in any other manner whatsoever;

(b) that the Defendants by themselves, their directors, servants, stockists, distributors and agents be restrained by a permanent order and injunction of this Court from manufacturing and/or marketing and/or selling and/or advertising and/or trading in and/or otherwise dealing in medicinal and pharmaceutical preparations bearing the impugned trademark “PROCLIN” or any other trademark deceptively similar to the Plaintiff's trademark “PEROCLIN”, so as to pass off or enable others to pass off the Defendants' goods as and for the Plaintiff's goods or in any other manner whatsoever;

(d) that the Defendants be ordered and directed to deliver up to the Plaintiff for destruction all goods, labels, cartons, strips, advertising material, packing material, other literature and things bearing the impugned trademark “PROCLIN”.

18. Considering the nature of infringement and with a view to dissuade others from indulging into such activities it is imperative that some punitive damages be awarded to the Plaintiff. I, therefore award punitive damages amounting to Rs.1,00,000/- to the Plaintiff and against Defendant No.2.

19. The office shall return the original documents to the Advocates for the Plaintiff upon the Advocates for the Plaintiff handing over photostat copies of the said documents duly certified by them as true copies. Refund of court fee, if any, as per rules.

(S. J. KATHAWALLA, J.)