

\$~19 and 21 (*common order*)

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

+ CS(OS) 2303/2009

BRISTOL-MYERS SQUIBB COMPANY & ORS Plaintiff

Through: Mr. Pravin Anand, Advocate with
Mr. Nischal Anand, Adv. &
Mr. Aman Taneja, Adv.

versus

MR J.D JOSHI AND ANR Defendants

Through: Mr. Tahir A.J. , Advocate with
Mr. Praveen Singh, Adv.

+ CS(OS) 679/2013

BRISTOL-MYERS SQUIBB COMPANY & ANR..... Plaintiffs

Through: Mr. Pravin Anand, Advocate with
Mr. Nischal Anand, Adv. &
Mr. Aman Taneja, Adv.

versus

D SHAH & ANR Defendants

Through: Mr. Tahir A.J. , Advocate with
Mr. Praveen Singh, Adv.

CORAM:

HON'BLE MR. JUSTICE R.K.GAUBA

ORDER

% **13.01.2017**

IA No.478/2017 (early hearing) in CS(OS) 2303/2009

IA No.477/2017 (early hearing) in CS(OS) 679/2013

Heard. For the reasons stated in the applications the same are allowed.

Date 22.02.2017 already fixed stands cancelled.

IA No.15632/2016 (Order 23 Rule 3 CPC) in CS(OS) 2303/2009

1. The first above-captioned case, CS(OS) 2303/2009 (hereinafter referred to as the first suit), was instituted in December, 2009 by the two plaintiffs they being Bristol-Myers Squibb Company, 345 Park Avenue, CS(OS) 2303/2009

New York, New York 10154-0037, USA (the first plaintiff) and Bristol-Myers Squibb India Pvt. Ltd., 1st Floor, “A” Block, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018 (the second plaintiff), impleading the two defendants, they being, Mr. J.D. Joshi, M.J. Chempharm Private Limited, R.S.No.578, Near Effluent Channel, Luna-391 440, Tal Padra, Vadodara (the first defendant) and M.J. Chempharm Private Limited, R.S.No.578, Near Effluent Channel, Luna-391 440, Tal Padra, Vadodara Also at: 113, Jolly Maker Chambers-2, Nariman Point, Mumbai (the second defendant), seeking the following reliefs (noticeably, para (a) & (b) having been wrongly split):-

- “a. An order for permanent injunction restraining the defendants, their directors, employees, officers, servants, agents and all others acting for and on their behalf from making, selling, distributing, advertising, exporting, offering*
- b. for sale, and in any other manner, directly or indirectly, dealing in any product that infringes the subject matter of the plaintiff’s registered patent No.203937;*
- c. An order against the defendants restraining them from pursuing their DCGI application for DASATINIB;*
- d. An order for damages of RS.50,00,000/- to be paid by the defendants on account of infringement of patent and unfair competition;*
- e. An order for costs in these proceedings.”*

2. The second above-captioned case, CS(OS) No.679/2013 (hereinafter referred to as the second suit), was instituted in April, 2013 by the same set of plaintiffs against two defendants they being Mr. D. Shah, Chairman and Managing Director, BDR Pharmaceuticals International Pvt. Limited, 407/408 Sharda Chambers, 15 New Marine Lines, Mumbai-400 020 (the first defendant) and M/s. BDR Pharmaceuticals International Private Limited, 407/408 Sharda Chambers, 15 New Marine Lines, Mumbai-400 020, Also at: BDR Pharmaceuticals

International Private Limited, C-4F/117, 1st Floor, Janakpuri, New Delhi-110 058, India (the second defendant) praying for the following reliefs:-

“a. A decree of permanent injunction restraining the defendants, their directors, employees, officers, servants, agents and all others acting for and on their behalf from using, making, selling, distributing, advertising, exporting, offering for sale, and in any other manner, directly or indirectly, dealing in any product that infringes the subject matter of Indian Patent No.203937;

b. An order for damages in favour of the plaintiffs and against the defendant;

c. An order for costs in the proceedings”

3. At the hearing, it is clarified by the learned counsel on both sides that the defendant companies are sister concern.

4. Defendants in each of the cases came up with counter claims. By the counter claim (CC No.20/2014) submitted in the first suit, the defendants prayed for the following reliefs:-

“i. Pass an order revoking the impugned patent No.IN203937;

ii. That the Patent No.IN203937 derive from application No.IN/PCT/2001/01138/MUM of the Patentee/Plaintiffs be invalidated and the Controller of Patents be directed to give effect to such declaration by proceeding to revoke the impugned patent and cancelling the patent certificate issued to the plaintiffs pursuant to its grant under Section 43 of the Patents Act, 1970;

iii. That the defendant no.2/counter-claimants be awarded costs;

5. In the second suit, similarly, the defendants by way of counter claim (CC No.104/2013) prayed for the following reliefs:-

“i. Pass an order revoking the impugned patent No.IN203937;

ii. That the Patent No.IN203937 derived from application No.IN/PCT/2001/01138/MUM of the Patentee/Plaintiffs be invalidated and the Controller of Patents be directed to give effect to such declaration by proceeding to revoke the impugned patent and cancelling the patent certificate issued to the plaintiffs pursuant to its grant under Section 43 of the Patents Act, 1970;

iii. That the defendant nos.1 and 2/counter-claimants be awarded costs;

6. Both the suits were contested by the respective defendants by filing written statements on the basis of submissions heard. The two cases were consolidated by order dated 12.10.2015 and issues common to both were framed in the light of the averments made in the pleadings. By the said order a court commissioner was appointed for recording evidence of the parties for which suitable directions including timeline were indicated which were revised/modified by subsequent order dated 08.12.2015 on the file of the first suit. At the hearing, the learned counsel on both sides submitted that some proceedings took place before the court commissioner at the stage of recording of evidence but the same is still incomplete.

7. Midway the recording of proceedings by the court commissioner, the parties to both the suits have entered into an amicable settlement. They have come up with a joint application (IA No.15632/2016) governing both suits seeking decrees to be passed in its terms under Order 23 Rule 3 CPC.

8. The terms and conditions of the said settlement are set out in para 2 of the joint application which reads as under:-

“(i) The said defendants acknowledge the validity of the suit patent IN’937 and the plaintiffs’ exclusive right in dealing in products containing the molecule dasatinib in and form which is the subject matter protected by the suit patent. The

defendants further admit that during the lifetime of IN'937, any act of making, using, offering for sale, selling or importing, exporting or otherwise using the subject matter of IN'937, namely dasatinib in any form or manner will violate the statutory rights of the plaintiffs herein.

(ii) The said defendants undertake that during the term of IN'937, they shall not infringe the rights of the plaintiffs in any manner including by manufacturing, selling, offering for sale, exporting or otherwise dealing in a generic version of dasatinib or any other product covered by IN'937.

(iii) The defendants seek to withdraw the counter-claims filed by them challenging the validity of IN'937 i.e. CC No.20 of 2014 and CC No.104 of 2013 pending before this Hon'ble Court.

(iv) In exchange for the above undertaking by the defendants the plaintiffs agree to forego their claim for damages and costs as prayed for in paragraph 32 (d) and (e) of the plaint in CS(OS) 2303 of 2009 and paragraph 42 (b) and (c) of CS(OS) 679/2013.

(v) The undertakings herein are given by Mr. Aravind Manappa Badiger on behalf of BDR Pharmaceuticals International Pvt. Ltd as its authorized signatory and Dr. Guruprasad Wadar on behalf of BDR Life Sciences Pvt. Ltd. As its authorized signatory. The said undertakings shall be binding henceforth on the said defendants and their associates, representatives, successors, partners, employees, affiliates and assignees-in-business."

9. The application is signed by authorized representative of each party to the two suits and their respective advocates and is supported by the affidavits of the authorized representatives of each side.

10. Having heard the learned counsel and perused the record, this court is satisfied that the parties have entered into this settlement out of their own free will and volition without any undue influence or force having been

exercised. Thus, the prayer in the application is granted.

11. The counter claims of the defendants in both the suits, they being CC 20/2014 and CC No.104/2013, are dismissed as withdrawn.

12. The prayer made for award of damages and costs in the two suits having been foregone by the plaintiffs, the suits to that extant stand dismissed as withdrawn.

13. The defendants having acknowledged the validity of the suit patents, their undertakings as tendered through this application are accepted and it is directed that they shall remain bound by the same. The suits to the extent of prayer made for permanent injunction are decreed.

14. For clarity, it is added that in the first suit, it being CS(OS) 2303/2009, a decree of permanent injunction is granted in favour of the plaintiff and against the defendants restraining the defendants, their directors, employees, officers, servants, agents and all others acting for and on their behalf from making, selling, distributing, advertising, exporting, offering for sale, and in any other manner, directly or indirectly, dealing in any product that infringes the subject matter of the plaintiff's registered patent No.203937.

15. Similarly, in CS(OS) 679/2013 a decree of permanent injunction is granted in favour of the plaintiff and against the defendants restraining the defendants, their directors, employees, officers, servants, agents and all others acting for and on their behalf from using, making, selling, distributing, advertising, exporting, offering for sale, and in any other manner, directly or indirectly, dealing in any product that infringes the subject matter of Indian Patent No.203937.

16. Parties are left to bear their own costs.

17. This judgment has been passed on the file of CS(OS) 2303/2009 and shall also govern the other suit, it being CS(OS) 679/2013. The registry shall place a copy of this judgment on the other file.
18. Decree-sheets shall be drawn separately in each case.
19. The order appointing court commissioner stands recalled.
20. As the dispute has been amicably resolved, the court fees shall be refunded as per rules.
21. All the pending applications stand disposed of.

R.K.GAUBA, J.

JANUARY 13, 2017
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