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

+ CS(COMM) 1599/2016 and IA No.15233/2016 (Order 39 Rules 1 & 2 CPC), IA No.1219/2017 (Order 23 Rule 3 CPC)

WALTER BUSHNELL PRIVATE LIMITED & ORS Plaintiffs
Through: Ms. Arushi Singh, Advocate

versus

SAPHNIX LIFE SCIENCES & ORS Defendants
Through: Mr. Bhuvneshwar Tyagi, Advocate
for D-1 & D-2.

CORAM:

HON'BLE MR. JUSTICE R.K.GAUBA

ORDER

% **21.02.2017**

1. This suit was instituted jointly by the three plaintiffs, they being Walter Bushnell Private Limited, having its registered office at 607, Rohit House, 3, Tolstoy Marg, New Delhi-110 001 (the first plaintiff); Martin And Harris Laboratories Limited, having its registered office at N.H.-8, Delhi-Jaipur Highway, Village Pachgaon (Fazalwas), Distt. Gurgaon (Haryana) (the second plaintiff) and Martin & Harris Private Limited, having its registered office at Unit No.6, Local Shopping Complex, S-Block, Panchsheel Park, New Delhi-110017 (the third plaintiff) against the three defendants, they being, Saphnix Life Sciences, Village Barotiwala, Paonta Sahib, Distt. Sirmour – 173 025, Himachal Pradesh, (the first defendant), Aingo Pharma Pvt. Ltd., SCF 251, Motor Market, Manimajra, Chandigarh-160 101, (the second defendant) and Mamatha Medical & Fancy, D.No.15-4-26, Marellavari Street, Near Police Station, Chilakaluripet, Guntur – 522616, Andhra Pradesh, (the third defendant), seeking the following reliefs:-

“30. (i) A decree for permanent injunction restraining the defendants, their servants, agents, assigns in business, its dealers, stockists, etc. from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in medicinal and pharmaceutical / medicinal preparations under the impugned trademarks DROTO, DROTO-M with or without the suffix M or any other mark that may be identical to and/or deceptively similar to the plaintiffs trade mark DROTIN as is likely to cause confusion or deception or which is likely to have an association with the registered mark amounting to infringement of the plaintiffs’ registered trade mark No.732349;

(ii) A decree for permanent injunction restraining the defendants, their servants, agents, assigns in business, its dealers, stockists, etc. from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in medicinal and pharmaceutical / medicinal preparations under the impugned trademarks DROTO, DROTO-M with or without the suffix M or any other mark that may be identical to and/or deceptively similar with the plaintiff’s registered trade mark DROTIN, as may be likely to cause confusion or deception in the mind of the public in mistaking the defendant’s goods/business as and for those of the plaintiffs amounting to infringement & unfair competition;

(iii) A decree for delivery up of all the infringing packaging, labels, blocks, dyes, articles, etc. to an authorised representative of the plaintiffs for destruction/erasure;

(iv) An order for rendition of accounts of profits illegally earned by the defendant and a decree for an amount so found due;

(v) A decree of Rs.1,00,50,000/-;

(vi) An order for costs in the proceedings;

(vii) Any further order as this Hon’ble Court deems fit and proper in the facts and circumstances of this case.”

2. After being served the first and second defendants have engaged the plaintiffs in talks for amicable resolution of the dispute and the said efforts having succeeded, both the said set of parties, i.e. the plaintiffs on the one hand and said first and second defendants on the other have come up with a joint application (IA no. 1219/2017) under Order 23 Rule 3 CPC, seeking a decree to be passed in terms set out therein on the lines claimed in para 30 (i), (ii) and (iii) of the plaint as extracted above, the plaintiffs having given up the remaining prayers against the said set of defendants.

3. While pressing the application, the learned counsel for the plaintiffs submitted that the dispute with the prime defendants, they being the first and second defendants having been amicably resolved, the suit is not pressed for any relief against the third defendant and the same may be dismissed to that extent as withdrawn.

4. The application under Order 23 Rule 3 CPC has been signed by the authorized representatives of each of the three plaintiffs on one hand and authorized representatives of first and second defendants on the other and the same is supported by their respective affidavits, along with the requisite Board of Resolution and proof of identity. The terms and conditions on which the above mentioned parties have decided to resolve the controversy between them are set out in the application as under:-

“1. The defendants admit the plaintiff no.1 to be the registered proprietor of the Trade Mark DROTIN in respect of medicinal and pharmaceutical preparation falling in Class 5 and is subject matter of TM Registration No.732349 since 1997.

2. The defendants also admit the proprietary rights of plaintiff No.1 to the Trade Mark DROTIN in respect of medicinal and pharmaceutical preparation under the common law on account of prior adoption and use, through its licenses and the goodwill/reputation accrued therein in favour of plaintiffs.

3. *The defendants undertake before this Hon'ble Court not to commit any act of infringement of the plaintiff's registered Trade Mark DROTIN and/or use the impugned mark DROTO or DROTO-M or any other mark as may be deceptively similar to the plaintiff's trade mark in respect of medicinal and/or pharmaceutical preparation.*

4. *The defendants also undertake before this Hon'ble Court not to use the Trade Mark DROTO with or without any pre-fix or suffix, or any other mark which may be identical or deceptively similar to the plaintiff's Trade Mark DROTIN in respect of the goods of their manufacture, marketing, distribution or sale including medicinal and pharmaceutical preparation within India or outside India or to commit any act of passing off.*

5. *The defendants affirm that on receiving information about the filling of the present suit for infringement of the trade mark DROTIN and service of summon and notice of ex-parte interim injunction passed by the Hon'ble Court, the defendants have discontinued the use of the impugned mark DROTO/DROTO-M and have informed the drug authorities to delete the permission granted for the manufacture and distribution of the medicinal preparations under the impugned mark DROTO/DROTO-M. Copy of the letter is filed on record. The defendant no.1 had manufactured the goods under the impugned mark for and on behalf of defendant No.2. The defendant No.1 do not claim any right in the impugned mark and therefore stopped the manufacture of impugned goods under instructions from defendant no.2.*

6. *The defendants further state before this Hon'ble Court that they have 400 strips (10 Tab each) with Batch No.T-2231 of finished medicines under the impugned mark in their power and possession and further undertakes to handover the same to the plaintiff for the purposes of destruction within one week of recording of settlement by this Hon'ble Court.*

7. *The defendants further assure and undertakes to destroy the packaging material which is in their power and possession bearing the impugned mark DROTO/DROTO-M within one week of the recording of settlement in the presence of authorized representatives of the plaintiff. The defendants have represented to the plaintiffs that they are possessed of 172 cartons and 2.800 kg of foil bearing the impugned mark, which will be destroyed in the presence of plaintiff's representative within a period of one week from the date of recording of the settlement.*

8. *The defendants further assure and undertake before this Hon'ble Court that they shall not use any mark which may be identical or deceptively similar to the plaintiff's Trade Mark DROTIN in respect of the goods of their manufacture, marketing, distribution or sale including medicinal and pharmaceutical preparation hereinafter and also at any subsequent time in future.*

9. *The terms of the present settlement are signed and undertakings are rendered by Mr. Sanjay Tanwar, as Partner of defendant no.1 on his behalf, on behalf of his partners and the firm and Mr. Jeet Kumar Jain, being Director of defendant no.2 for which they are fully competent and duly authorized. Copy of Resolution passed by the Board of Directors of defendant no.2 is filed on record.*

10. *The defendants have no objection if a decree in terms of the prayers made in paragraph 30 (i), (ii) and (iii) of the plaint and in terms of the present settlement is passed in favour of plaintiffs and against defendants.*

11. *The terms of present settlement shall be binding on the parties, their directions, partners, as the case may be, their successors and assigns in business for all time to come.*

12. *In consideration of the above undertakings tendered by the defendants before this Hon'ble Court, the plaintiffs agree to give up their claim for rendition of account and damages and reliefs claimed in paragraphs 30 (iv) and (v) of the plaint."*