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

% *Date of Decision: 13th May, 2022*

+ CS(COMM) 504/2019 & I.A. 12756/2019

SUN PHARMACEUTICAL INDUSTRIES LTD. Plaintiff
Through: Mr. Sachin Gupta and Ms. Jasleen
Kaur, Advocates.

versus

PUNAM DEVI Defendant
Through: None.

CORAM:
HON'BLE MS. JUSTICE JYOTI SINGH

JUDGMENT

JYOTI SINGH, J. (ORAL)

1. By way of the present suit, Plaintiff seeks a decree of permanent injunction restraining the Defendant, its proprietors, etc., from manufacturing, selling, advertising, etc., any products/services under the impugned tradename/mark RANBAXY LABORATORIES or any other trademark, tradename, domain name, identical or deceptively similar to Plaintiff's trademark RANBAXY or RANBAXY LABORATORIES, amounting to infringement and passing off as well as decree for damages, rendition of accounts and delivery up.

2. It is averred in the plaint that Plaintiff (the expression includes predecessors in business and title) is a Company incorporated under the Companies Act, 2013 and started its business of marketing pharma products as a proprietary firm in the year 1978. In 1982, a partnership firm under the name and style of M/s Sun Pharmaceutical Industries was formed to manufacture, deal in and trade into pharmaceutical goods and allied goods

and services. On 01.03.1993, the partnership firm was converted into a Joint Stock Company and incorporated as a Company under the present name.

3. It is averred that in the year 2014, vide a duly approved Scheme of Arrangement, Plaintiff acquired all assets along with intellectual property of Ranbaxy Laboratories Limited, one of the world's largest pharmaceutical Companies. The Scheme was duly approved and sanctioned by the High Court of Gujarat vide order dated 24.12.2014, in Company Petition No. 219 of 2014 and by the order of High Court of Punjab and Haryana vide order dated 09.03.2015 in Company Petition Nos. 132 and 165 of 2014, in a separate litigation. Plaintiff, by virtue of the said orders, is the recorded proprietor of trademarks earlier owned by Ranbaxy Laboratories Limited.

4. It is averred that Plaintiff markets drugs and formulations in more than 150 countries of the world under its extensive range of well-known and distinctive trademarks/brand names. Plaintiff has a consolidated annual turnover of over Rs. 30,000 Crores, globally and is now ranked as number one pharma company in India in a total of 11 specialities and is the world's fourth largest generic pharma company. Plaintiff can boast off having 45 manufacturing sites in six continents and ten world-class research centres.

5. It is further averred that Plaintiff's manufacturing operations are focussed on producing generics, Over-the-Counter products, anti-retrovirals, Active Pharmaceutical Ingredients and intermediates in the full range of dosage forms including tablets, capsules, injectables, creams etc. Plaintiff has a highly skilled team of regulatory affairs specialists, well-versed with regulatory policies and procedures as also a wide range of regulatory agencies who routinely conduct stringent audits of the manufacturing facilities to ensure compliance with Current Good Manufacturing Practices.

6. It is stated that Plaintiff's predecessors, Ranbaxy Laboratories Limited adopted the tradename RANBAXY in the year 1961 and filed an application for registration in the year 1991, claiming user since 1966 and has been extensively and continuously using the same since then. *Vide* order dated 19.10.2015, the said mark was assigned to the Plaintiff. Today, Plaintiff is a proprietor of trademarks 'RANBAXY', 'RANBAXY LABORATORIES LIMITED' and its formative marks in India as well as in foreign jurisdictions, the details whereof are furnished in the plaint.

7. It is further stated that Plaintiff has taken efforts to popularize its trademark/corporate name and has expended substantial sums of money on sales promotion, advertisement and publicity of the same. Due to continuous and extensive use of the marks and large sales of goods under the trademark RANBAXY, it has acquired immense reputation and goodwill, reflected from the sales turnover of the predecessor-in-interest of the Plaintiff for the year 2013-14, prior to the Scheme of Arrangement, being Rs.3,000 Crores approximately in India and approximately Rs.3,800 Crores, as export sales. Even after the merger, Plaintiff continues to use the trademark RANBAXY, prominently on several medicinal products such as AFENAK, AZAX-200, AFENAK-100, Plus NS etc. with encouraging sales figures.

8. It is pleaded that Plaintiff has been vigilant and zealous in protecting its intellectual property and had filed several cases, wherein favourable orders, protecting its rights have been granted by this Court, as referred to and relied upon in para 19 of the plaint.

9. As per the case set up by the Plaintiff, Defendant claims to be the proprietor of M/s Ranbaxy Laboratories. In the third week of August, 2019, it is stated, that Plaintiff came across Defendant's mark, when the

application for registration of the trademark RANBAXY LABORATORIES under no. 4153272 in class 35 dated 20.04.2019, was published in Trade Marks Journal No. 1907-0 dated 24.06.2019. The application was filed on a 'proposed to be used' basis and registration was sought without any geographical limitation for the whole of India. Subsequently, Plaintiff conducted a search on the official website of the Trade Marks Registry and came across another application for registration of the same mark in class 5 dated 20.04.2019, on 'proposed to be used' basis, which was objected to under Section 11 of the Trade Marks Act, 1999 (hereinafter referred to as 'Act'), on account of similarity/identity with marks that already existed on the Register. Plaintiff's registered mark RANBAXY and formative marks under three different registration numbers were cited in the examination report.

10. It is averred that Defendant has adopted the mark RANBAXY LABORATORIES, which is a blatant and slavish imitation of Plaintiff's well-known trademark RANBAXY and its formative marks and a consumer with average intelligence and imperfect recollection is bound to be confused and deceived as the goods are similar. Intent of the Defendant is to take unfair advantage of the reputation of Plaintiff's registered trademark RANBAXY, by misrepresenting to the public and creating a belief that the goods and services offered by the Defendant under the impugned mark have some association or connection with the Plaintiff, while none exists and resultantly causing injury and loss to the Plaintiff. The actions of the Defendant amount to infringement and passing off and thus an injunction must follow.

11. Before proceeding further it needs to be noted that there is no appearance on behalf of the Defendant. The order-sheets indicate that Defendant has not appeared in the matter on any date, despite being served. For the sake of completeness, I may note that on 22.01.2020, Court passed the following order:

“By an order dated 18.12.2019 in I.A.17973/2019, the Joint Registrar permitted service upon the defendant by publication. The publication has been carried out on 13.01.2020 and an affidavit of service dated 13.01.2020 has been filed.

As the publication has only been made on 13.01.2020, list before the Joint Registrar on 12.02.2020, for appearance of the defendant.

List before the Court on 25.03.2020.”

12. On 12.02.2020, there was no appearance on behalf of the Defendant. No written statement was filed and hence the learned Joint Registrar directed the matter to be listed before Court, for further directions on 25.03.2020. Matter was thereafter listed in Court on 15.12.2020, when again there was no appearance on behalf of the Defendant and the case was adjourned to 25.03.2021. On account of pandemic COVID-19, matter was adjourned *en-bloc* and was listed in Court on 20.04.2022. Again the Defendant was unrepresented on the said date and matter was re-notified for 21.04.2022. On 21.04.2022 as well as on 25.04.2022, adjournment was sought on behalf of the Plaintiff but none appeared on behalf of the Defendant.

13. Matter has been called-out twice, however, there is no appearance on behalf of the Defendant even today. It appears that the Defendant is not interested in contesting the present suit and is accordingly proceeded *ex parte*.

14. Learned counsel for the Plaintiff urges the Court to proceed with the final hearing of the matter without the Plaintiff filing evidence by way of affidavit, as the Defendant has chosen not to contest the suit and there is no written statement. To support the submission, reliance is placed on the judgments of the Co-ordinate Benches in *Aktiebolaget Volvo and Ors. v. Hari Satya Lubricants & Anr.*, (2016) 234 DLT 524, *The Indian Performing Right Society Ltd. v. Gauhati Town Club and Anr.*, 2013 (134) DRJ 732 and *United Coffee House v. Raghav Kalra and Anr.*, 2013 (55) PTC 414 (Del).

15. Learned counsel appearing on behalf of the Plaintiff, on instructions, submits that Plaintiff is giving up its claim for damages and only presses for cost. An affidavit along with statement of cost has been filed.

16. Having perused the aforesaid judgments, I find merit in the submission of the Plaintiff. Defendant has chosen to keep away from the proceedings and in view of the judgments aforementioned, Plaintiff need not file evidence by way of affidavit, as the averments in the plaint are supported by an affidavit and hence the suit can be disposed of. I thus proceed to hear the final arguments.

17. It is contended by learned counsel for the Plaintiff that Plaintiff's predecessor adopted the trademark RANBAXY way back in the year 1961 and the registration application was filed in 1991 with user claim from 1966. The trademark has been extensively and continuously used ever since. Plaintiff acquired the proprietary rights in the said mark in the year 2014, under a Scheme of Arrangement approved and sanctioned by two High Courts, as aforementioned. Plaintiff is the registered proprietor of the trademark RANBAXY and its formatives and has been using the same

extensively and continuously since the year 2014. The sales turnover and the promotional campaigns are indicative of the immense goodwill and reputation attached to the mark.

18. It is next contended that there is none and can be no plausible explanation as to why the Defendant adopted a mark identical to that of the Plaintiff's registered trademark, which is the source identifier for the Plaintiff's products. Unauthorized use of an identical mark by the Defendant constitutes violation of Plaintiff's statutory right of exclusive use of its registered trademarks RANBAXY and RANBAXY LABORATORIES LIMITED under Section 29 of the Act. The marks have acquired formidable goodwill and reputation as a badge of quality products originating from the Plaintiff and the use of the marks with respect to similar goods sold through same trade channels is likely to cause confusion and deception amongst the purchasers. Plaintiff pleads passing off by misrepresentation as the unauthorized use for similar goods creates a false impression in the minds of the purchasers that the Defendant is in some manner associated or connected with the Plaintiff or has been authorized by it. This according to the Plaintiff tarnishes the well-known trademark RANBAXY besides causing loss of profit, reputation and trust and thus the Defendant is liable to be enjoined under Section 135 of the Act.

19. I have heard learned counsel appearing on behalf of the Plaintiff and perused the documents filed along with the plaint, which is duly supported by an affidavit.

20. It emerges from a perusal of the pleadings and the documents that the trademark RANBAXY was adopted by Plaintiff's predecessor in 1961 and was subsequently registered. Thereafter, the mark was assigned to the

Plaintiff pursuant to a Scheme of Arrangement sanctioned and approved by the High Court of Gujarat and the High Court of Punjab and Haryana in two separate litigations, as aforementioned. Plaintiff has furnished details of registrations with respect to the mark RANBAXY and RANBAXY LABORATORIES LIMITED in the plaint and Certificates of Registration in classes 5, 35 and 40 have been filed. Registrations are stated to be valid and subsisting, to which there is no rebuttal in the absence of a written statement. Plaintiff has thus proved its registrations.

21. Perusal of the Scheme of the Trade Marks Act, 1999 indicates that a registered trademark is infringed by a person, who not being a registered proprietor or a person using by way of permitted user, uses in the course of trade, a mark which is likely to cause confusion on the part of the public or likely to have an association with the registered mark, in any of the eventualities mentioned in clauses (a), (b) and (c) of Section 29(2) of the said Act. While clause (a) envisages a situation where there is an identity of the registered trademark and similarity of goods/services, clause (b) contemplates a situation where the registered trademark is similar and the goods/services covered by the mark are identical or similar. Clause (c) deals with identity of the registered mark as well as the goods/services covered by the said mark. Where the registered marks and the goods have an identity, Legislature provides that Courts shall presume confusion under Section 29(3) of the Act.

22. It is well-settled that the action for infringement is a statutory right conferred on the registered proprietor for exclusive use of its registered trademark and its protection against third parties in relation to the goods for which it is registered. This is different from the common law remedy of

passing off which is premised on an action of deceit. In an action for infringement once the Plaintiff is able to show that all or the essential features of the registered trademark have been adopted by the Defendant, the fact that the layout, packaging etc. are different is of no consequence, while this can be set up as a defence in an action for passing off. In this regard, it would be apposite to refer to a judgment of the Supreme Court in ***Kaviraj Pandit Durga Dutt Sharma v. Navratna Pharmaceutical Laboratories, AIR 1965 SC 980***, relevant para of which is as follows:

“28.

While an action for passing off is a common law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of “the exclusive right to the use of the trade mark in relation to those goods” (vide Section 21 of the Act). The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off, but is the sine qua non in the case of an action for infringement. No doubt, where the evidence in respect of passing off consists merely of the colourable use of a registered trade mark, the essential features of both the actions might coincide in the sense that what would be a colourable imitation of a trade mark in a passing off action would also be such in an action for infringement of the same trade mark. But there the correspondence between the two ceases. In an action for infringement, the plaintiff must, no doubt, make out that the use of the defendant's mark is likely to deceive, but where the similarity between the plaintiff's and the defendant's mark is so close either visually, phonetically or otherwise and the court reaches the conclusion that there is an imitation, no further evidence is required to establish that the plaintiff's rights are violated. Expressed in another way, if the essential features of the trade mark of the plaintiff have been adopted by the defendant, the fact that the get-up, packing and other writing or marks on the goods

or on the packets in which he offers his goods for sale show marked differences, or indicate clearly a trade origin different from that of the registered proprietor of the mark would be immaterial; whereas in the case of passing off, the defendant may escape liability if he can show that the added matter is sufficient to distinguish his goods from those of the plaintiff.”

23. Plaintiff has categorically averred in the plaint that it is a recorded proprietor of the trademark RANBAXY and its formative marks and a tabular representation of the trademarks registered, to the extent relevant to the present case is as follows:

TRADE MARK REGISTRATION

S. NO.	TRADE MARK	REGISTRATION NO.	CLASS	DATE OF APPLICATION
1.	RANBAXY (Label)	543180	5	08.01.1991
2.	RANBAXY LABORATORIES LIMITED	640922	5	22.09.1994
3.	RANBAXY	3789599	40	27.03.2018
4.	RANBAXY	3789600	35	27.03.2018

24. The averments are unrebutted by the Defendant, who has chosen to keep away from the proceedings. It is clear from a comparison of the competing marks in the present case that Defendant's impugned mark RANBAXY LABORATORIES is visually, phonetically, structurally and conceptually identical to the registered trademarks of the Plaintiff i.e. RANBAXY and RANBAXY LABORATORIES LIMITED and the goods being pharmaceutical products in class 5 are also identical. Plaintiff has registrations in classes 35 and 40 with respect to services rendered under the

registered trademarks, which are claimed to be similar to the services of the Defendant. Therefore, in my considered view, looking at the identity between the impugned mark and the goods/services with respect to which the registered trademarks are used by the Plaintiff, use of the impugned mark by the Defendant constitutes infringement under Section 29 (2)(c) of the Act and the Court shall presume that this is likely to cause confusion on the part of the public. In this context, I may usefully allude to a recent judgment of the Supreme Court in ***Renaissance Hotel Holdings Inc. v. B. Vijaya Sai and Others***, (2022) 5 SCC 1, where the Court held as follows:

“53. In the present case, both the trial court and the High Court have come to the conclusion that the trade mark of the respondent-defendants is identical with that of the appellant-plaintiff and further that the services rendered by the respondent-defendants are under the same class i.e. Class 16 and Class 42, in respect of which the appellant-plaintiff's trade mark “renaissance” was registered. In such circumstances, the trial court had rightly held that the goods of the appellant-plaintiff would be covered by Section 29(2)(c) read with Section 29(3) of the said Act.

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55. We find that the High Court has totally erred in taking into consideration only clause (c) of sub-section (4) of Section 29 of the said Act. It is to be noted that, whereas, the legislature has used the word “or” after clauses (a) and (b) in sub-section (2) of Section 29 of the said Act, it has used the word “and” after clauses (a) and (b) in sub-section (4) of Section 29 of the said Act. It could thus be seen that the legislative intent is very clear. Insofar as sub-section (2) of Section 29 of the said Act is concerned, it is sufficient that any of the conditions as provided in clauses (a), (b) or (c) is satisfied.

56. It is further clear that in case of an eventuality covered under clause (c) of sub-section (2) of Section 29 in view of the provisions of sub-section (3) of Section 29 of the said Act, the Court shall

presume that it is likely to cause confusion on the part of the public.

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*59. In these circumstances, we are of the considered view that it was not open for the High Court to have entered into the discussion as to whether the appellant-plaintiff's trade mark had a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark. We find that the High Court has erred in entering into the discussion as to whether the respondent-defendants and the appellant-plaintiff cater to different classes of customers and as to whether there was likely to be confusion in the minds of consumers with regard to the hotel of the respondent-defendants belonging to the same group as of the appellant-plaintiff's. As held by this Court in *Ruston & Hornsby [Ruston & Hornsby Ltd. v. Zamindara Engg. Co., (1969) 2 SCC 727]*, in an action for infringement, once it is found that the defendant's trade mark was identical with the plaintiff's registered trade mark, the Court could not have gone into an enquiry whether the infringement is such as is likely to deceive or cause confusion. In an infringement action, an injunction would be issued as soon as it is proved that the defendant is improperly using the trade mark of the plaintiff.*

60. It is not in dispute that the appellant-plaintiff's trade mark "renaissance" is registered under Class 16 and Class 42, which deals with hotels and hotel related services and goods. It is also not in dispute that the mark and the business name "sai renaissance", which was being used by the respondent-defendants, was also in relation to Class 16 and Class 42. As such, the use of the word "renaissance" by the respondent-defendants as a part of their trade name or business concern, would squarely be hit by sub-section (5) of Section 29 of the said Act.

61. It is further to be noted that the words "renaissance" and "sai renaissance" are phonetically as well as visually similar. As already discussed hereinabove, sub-section (9) of Section 29 of the

said Act provides that where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation. As such, the use of the word “sai renaissance” which is phonetically and visually similar to “renaissance”, would also be an act of infringement in view of the provisions of sub-section (9) of Section 29 of the said Act.”

25. Cause of action with respect to passing off was predicated on the fact that Defendant had applied for registration of the trademark RANBAXY LABORATORIES and had been granted the drug license by the Central Licensing Authority for Delhi and there was imminent threat and reasonable apprehension that Defendant would start its operations/sales in Delhi.

26. *Vide* order dated 16.09.2019, this Court had by way of *ex parte ad interim* injunction restrained the Defendant from manufacturing or marketing any product or services under its trademark ‘RANBAXY LABORATORIES’ or any mark deceptively similar to Plaintiff’s registered trademarks. Thus, there have been no sales by the Defendant and it is not the case of the Plaintiff that the injunction order was violated. Keeping this in view and the fact that the Plaintiff has itself forgone the claim for damages, rendition of accounts and delivery up, the said reliefs are not granted.

27. In view of the identity of the competing trademarks, similarity in goods and trade channels and taking into account the fact that the goods/services relate to pharmaceutical products, Defendant, its proprietor, assignees in business, distributors, dealers, stockists, retailers/chemists, servants and agents are permanently restrained from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in any products/services under the impugned trade name/mark RANBAXY LABORATORIES and/or using any other trade name/trademark as may be

identical or deceptively similar to Plaintiff's registered trademark RANBAXY or RANBAXY LABORATORIES LIMITED.

28. Statement of cost incurred by the Plaintiff has been filed by way of an affidavit. Considering the affidavit, the suit is decreed with cost of Rs. 6,00,000/- including the Court Fee, deposited by the Plaintiff.

29. Decree sheet be prepared accordingly.

I.A. 12756/2019(under Order 39 Rules 1 and 2 CPC, by Plaintiff)

30. In view of the aforesaid, order dated 16.09.2019, granting interim injunction is hereby confirmed.

31. Application is disposed of.

MAY 13, 2022/sn/shivam

JYOTI SINGH, J

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