

**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**

**APPEAL FROM ORDER No. 376 of 2008  
With  
CIVIL APPLICATION No. 13977 of 2008  
In  
APPEAL FROM ORDER No. 376 of 2008**

**For Approval and Signature:**

**HONOURABLE MR.JUSTICE M.R. SHAH**

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- 1 Whether Reporters of Local Papers may be allowed to see the judgment ? **YES**
- 2 To be referred to the Reporter or not ? **YES**
- 3 Whether their Lordships wish to see the fair copy of the judgment ? **NO**
- 4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ? **NO**
- 5 Whether it is to be circulated to the civil judge? **NO**

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**CADILA HEALTHCARE LTD - Appellant(s)  
Versus**

**SPECIALITY MEDITECH PRIVATE LIMITED & 1 - Respondent(s)**

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**Appearance :**

MR MIHIR THAKORE, SR.ADVOCATE FOR SINGHI & CO for Appellant(s) : 1,  
MR D.VENKAT REDDY WITH MR PRABHAKAR UPADYAY for Respondent(s) : 1,  
None for Respondent(s) : 2,

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**CORAM : HONOURABLE MR.JUSTICE M.R. SHAH**

**Date : 08/10/2009**

**CAV JUDGMENT**

1. Present Appeal from Order under Order

43 Rule 1 of the Code of Civil Procedure is preferred by the appellant-original plaintiff challenging the impugned order dated 28.11.2008 passed by the learned Principal District Judge, Ahmedabad (Rural) passed below Exh.5 in Civil Suit No.4 of 2008 by which the learned Judge has dismissed the said application Exh.5 submitted by the appellant-plaintiff for interim injunction restraining the defendants from selling, manufacturing and marketing the product under the trade mark "DOMOCID" and/or any other trade mark which is deceptively similar or imitation of the appellant's registered trade mark "OCID" amounting to infringement and passing off the appellant's mark, either directly or through their directors, employees, agents, stockists, distributors, dealers and retailers throughout the Union of India or any part thereof.

2. At the outset it is required to be noted that the plaintiff has filed the suit for infringement of trade mark and for action of passing off. However, Shri Mihir Thakore, learned Senior Advocate appearing on behalf of the appellant has stated at the bar that the appellant is not claiming any relief for passing off action and the suit as well as the present appeal from order be confined to the relief for infringement of trade mark only. Therefore in the present appeal from order the allegation with respect to the infringement of the trade mark "OCID" only is required to be considered.

3. Original plaintiff – Cadila Health Care Limited had instituted Civil Suit No.4 of 2008 against the defendants who are having their registered office at Hyderabad and carrying their business at Hyderabad, for infringement

of the trade mark "OCID" by alleging inter-alia that the defendants are manufacturing the tablets/product under the trade mark "DOMOCID" in breach of the registered trade mark "OCID". It is the case on behalf of the plaintiff that the plaintiff is a well known pharmaceutical company of India engaged in the business of manufacturing and marketing of various pharmaceutical and health related products such as bulk drugs (raw material basic drugs used in manufacturing medicines like tablet, capsule etc.), formulations (i.e. ready to use dosage forms like tablets, capsules, injections, packed in strips, vials, ampoules etc.), vaccines, cosmetics, food products etc., and is the fourth largest formulation manufacturer in India. That the defendant No.1 is carrying on its business activities under the name and style of Specialty Meditech Private Limited at Hyderabad and defendant

No.2 is manufacturing various pharmaceutical products. That Cadila Chemicals Limited, a leading pharmaceutical company (an erstwhile company of "Cadila Group") introduced a preparation of Omeprazole in the year 1991 for treatment of Duodenal and gastric ulcers under the trade mark "OCID". That the said company had invented, coined and were first to adopt the mark "OCID" for the said product to distinguish it from similar products of other manufacturers. The said preparation manufactured and marketed by the said Cadila Group Company enjoyed and commanded very high reputation amongst the medical practitioners, the trade and consuming public in view of its excellent quality and efficacy of the product. That the mark "OCID" was applied for registration under the provisions of Trade and Merchandise Marks Act, 1958 in Class 5 under Application No.542930 as on 3<sup>rd</sup> January, 1991,

and was subsequently registered under the said Act as of 3<sup>rd</sup> January, 1991, by the Trademark Registry's Order dated 15<sup>th</sup> September, 1997. That the said mark has been renewed from time to time and is renewed upto 3.1.2015. That the Cadila Chemicals Limited sold the product "OCID" through its excellent sales network all over the country and used to spend large amounts of money for popularizing its product through advertisements, by circulation of trade literatures including brochures, physician's samples etc. That the total sales of product "OCID" has exceeded Rs.46,00,00,000 (Rupees Forty Six Crores) for the year 2006-2007. That in the year 1995 the Cadila Group of Companies decided to restructure the business of its group companies and accordingly the business of Cadila Chemicals Limited has been transferred to two transferee Companies viz. Cadila

Healthcare Limited – the plaintiff in the suit and Cadila Pharmaceuticals Ltd., with all its property, rights and trade marks both registered and unregistered as per order dated 2.5.1997 of this Court passed in Company Petition No.84/1996 connected with Company Application No.200/95. Thus, according to the plaintiff, the registered trade mark “OCID” is assigned to the plaintiff company Cadila Healthcare Limited with effect from 2<sup>nd</sup> May, 1997.

3.1 It is the case on behalf of the plaintiff that since its launch in the market, the product “OCID” has achieved high reputation and goodwill among doctors, pharmacists and patients and the same is reflected in the ever-increasing sales of the product “OCID”. The plaintiff company and its predecessors in title also spent huge amount

to create awareness about the product "OCID" and for its promotion. It is further averred in the plaint that it has been recently informed to the plaintiff company by its field staff that the defendants have recently started manufacturing and marketing the product of Omeprazole under the trade mark "DOMOCID". That the defendants have no right, title, authority or licence to introduce, manufacture and sell medicinal preparation under the trade mark "DOMOCID" which is prima facie an infringement of the plaintiff's well known registered trade mark "OCID", and is a dishonest act of imitation and/or deceptive similarity to the plaintiff's registered trade mark "OCID". That the adoption of the mark "DOMOCID" by the defendants is neither accidental nor coincidental but a deliberate, dishonest and fraudulent act to trade upon the goodwill of the plaintiff's well known product



“OCID” to make illegal gains. That the mark “DOMOCID” of the defendants is identical and/or is a colourable imitation and/or is deceptively similar to the plaintiff's registered trade mark “OCID” and the defendants' mark is bound to deceive and/or cause confusion and it may help the defendants to pass off their goods as and for the plaintiff's goods and to make illegal gains of plaintiff's reputation. That the defendants' mark is phonetically, visually and structurally identical with the plaintiff's registered trade mark barring addition of the letters “DOM” as can be seen from both the marks “OCID” and “DOMOCID”. Since the marks are phonetically, visually and structurally similar confusion is bound to arise as both the products are and/or will be offered for sale and through the same trade channels to the same class of consumers. Therefore the

plaintiff has filed the aforesaid suit claiming the following reliefs and the suit is valued for permanent injunction at Rs.300/-, and for relief of taking accounts and profit at Rs.300/. The plaintiff has prayed for the following reliefs.

***“(a) That the Hon'ble Court may be pleased to pass an order of ad-interim injunction against the defendant restraining it from selling, manufacturing and marketing the product under the trade mark “DOMOCID” and/or any other trade mark which is deceptively similar or imitation of the plaintiff's registered trade mark “OCID” amounting to infringement and passing off the plaintiff's mark, either directly or through their directors, employees, agents, stockists, distributors, dealers and retailers throughout the Union of India or any part thereof.***

***(b) The Hon'ble Court may be pleased to pass any other just and proper relief as may be deemed fit in favour of the plaintiff company.”***

3.2 In the said suit the plaintiff submitted application Exh.5 for interim injunction restraining the defendants from

selling, manufacturing and marketing the product under the trade mark "DOMOCID" and/or any other trade mark which is deceptively similar or imitation of the plaintiff's registered trade mark "OCID" amounting to infringement and passing off the plaintiff's mark, either directly or through their directors, employees, agents, stockists, distributors, dealers and retailers throughout the Union of India or any part thereof. As stated above, as per the statement of the learned Senior Advocate appearing on behalf of the plaintiff, this Court is not required to consider the question with respect to passing off action. The said application was opposed by the defendants on various grounds which will be dealt with hereafter and the learned Principal District Judge, Ahmedabad (Rural) by impugned order dated 28.11.2008 has

rejected the said application Exh.5 vacating the ad-interim relief granted earlier and refusing to grant injunction in favour of the plaintiff and against the defendants. The learned Judge while rejecting the said application Exh.5 has directed the defendants to produce the actual sale figure of the referred drug "DOMOCID" every three months till the disposal of the suit.

3.3 Being aggrieved and dissatisfied with the impugned order passed by the learned Principal District Judge, Ahmedabad (Rural) passed below Exh.5 in rejecting the same, the appellant-plaintiff has preferred the present appeal from order.

4. Shri Mihir Thakore, learned Senior Advocate appearing on behalf of the appellant-plaintiff has submitted that the

Cadila Chemicals Limited a leading pharmaceutical company (an erstwhile company of "Cadila Group") introduced a preparation of Omeprazole in the year 1991 for treatment of Duodenal and gastric ulcers under the trade mark "OCID". It is submitted that the said company had invented, coined and were first to adopt the mark "OCID" for the said product to distinguish it from similar products of other manufacturers. The said preparation manufactured and marketed by the said Cadila Group Company enjoyed and commanded very high reputation amongst the medical practitioners, the trade and consuming public in view of its excellent quality and efficacy of the product. It is submitted that the mark "OCID" was applied for registration under the provisions of Trade and Merchandise Marks Act, 1958 in Class 5 under Application No.542930 as on 3<sup>rd</sup>

January, 1991, and was subsequently registered under the said Act as of 3<sup>rd</sup> January, 1991, by the Trademark Registry's Order dated 15<sup>th</sup> September, 1997, and that the said mark has been renewed from time to time and is renewed upto 3.1.2015. It is submitted that pursuant to the restructuring of the business of Cadila Group in the year 1995, and consequent upon the order passed by this Court, the plaintiff became the proprietor of the registered trade mark "OCID" from the effective date of the Scheme of Restructuring of the Cadila Group i.e. 2.5.1997. It is submitted that since its launch in the market, the product under the registered mark "OCID" has achieved high reputation and goodwill among doctors, pharmacists and patients and the turn over has been increased day by day and for the year 2001-2002 to 2006-2007 it was

Rs.2,26,20,91,078/- . That the plaintiff and its predecessor in time have spent huge amount to create awareness about the product registered under the trade mark "OCID" and for its promotion.

4.1 That the defendants have started to manufacture and sell medicinal preparation under the mark "DOMOCID" which is prima facie an infringement of the plaintiff's well known registered trade mark "OCID". It is submitted that the use of the mark "DOMOCID" by the defendants is a dishonest act of imitation and/or is deceptively similar to the plaintiff's registered trade mark "OCID" and have started to manufacture the same after the plaintiff registered trade mark "OCID". It is submitted that as the mark "DOMOCID" adopted by the defendants is identical and is a colourable imitation

and/or deceptively similar to the plaintiff's registered trade mark "OCID", the trial court ought to have granted the injunction as prayed for. It is submitted that as the plaintiff being holder of the registered trade mark has a statutory right to exclude others from using a similar or deceptively similar mark. It is submitted that the defendants' mark "DOMOCID" is mere addition of prefix 'DOM' to the registered trade mark "OCID" of the plaintiff and therefore the plaintiff's trade mark has been copied and used by the defendants entirely and wholly, thus infringing the trade mark of the plaintiff. It is further submitted that the trial court ought to have appreciated that the product in question is a medicines and a great care is to be taken while considering the confusion between medicinal product. It is submitted that the trial court has not



properly appreciated the decision of the Hon'ble Supreme Court in the case of Cadila Healthcare Limited vs. Cadila Pharmaceuticals Limited reported in AIR 2001 SC 1952 while considering the question of injunction of a medicinal product. It is further submitted that while considering the infringement of trade mark, comparison of the rival marks with respect to the pronunciation, get up, availability, price range etc., are irrelevant and the learned Judge has unnecessarily made unwarranted comparison. It is submitted that the learned Judge ought to have appreciated that in the infringement matters the law gives to the proprietor an exclusive right to use of the mark which will be infringed in the case of identical marks and in the case of similar marks even though there is no misrepresentation. It is further submitted that even the learned Judge has

erred in concluding that the plaintiff's drugs are named as "OCID 10" and "OCID 20" whereas the defendants' drug named as "DOMOCID". It is submitted that the learned Judge ought to have appreciated that "OCID 10" and "OCID 20" are variants of the resisted trade mark "OCID" of the plaintiff and the plaintiff sought to protect its proprietary right in the mark "OCID". It is further submitted that the learned Judge has failed to appreciate the essential features of the registered mark of the plaintiff have been copied, the intention to deceive or to cause confusion not being relevant in an infringement action. It is submitted that the learned Judge has failed to appreciate that both the products were preparation of the Omeprazole and that likely to be consumed by the same class of consumers over a period of time for the treatment of Duodenal and

Gastric ulcers and that the treatment of the same would be continued over a period of time. Due to periodic and repeated purchases, the patients or their relatives who would approach the chemists, most likely without a prescription, would lead to confusion due to incorrect and improper recollection of the product's trade mark and trade dress being consumers of ordinary prudence and with imperfect memory. Therefore it is submitted that the learned Judge has committed a serious error in not granting the injunction as prayed for restraining the defendants from manufacturing the product under the trade name "DOMOCID".

4.2 Shri Mihir Thakore, learned Senior Advocate appearing on behalf of the appellant-plaintiff has relied upon the following decisions in support of his above

submission and to grant injunction restraining the defendants from using/manufacturing the product under the trade mark "DOMOCID".

- (i) **RUSTON & HORNSBY LTD. VS. THE ZAMINDARA ENGINEERING CO.,** reported in 1969(2) SCC 727.
- (ii) **AMRITDHARA PHARMACY VS. SATYA DEO GUPTA** reported in AIR 1963 SC 449 (paras 4, 8 & 9).
- (iii) Decision of the House of Lords in the case of **ARISTOC, LD. VS. RYSTA, LD.** Reported in 62 Reports of Patent, Design and Trade Mark Cases (RPC) p.65.
- (iv) **WYETH HOLDINGS CORPORATION AND ANOTHER VS. BURNET PHARMACEUTICALS (PVT.) LTD.,** reported in 2008(36) PTC 478 (Bom.) (paras 11, 12, 14, 18, 19, 20, 21 and 22).
- (v) **SUN PHARMACEUTICAL INDUSTRIES LIMITS VS. WYETH HOLDINGS CORPORATION AND ANOTHER** reported in 2005 (30) PTC 14 (Bom.) (paras 23, 24 and 29).

(vi) **USV LIMITED VS. IPCA LABORATORIES LIMITED** reported in 2003(26) PTC 21 (Mad).  
(paras 15, 16, 17, 18).

(vii) **WYETH LAB. LTD. VS. LUPIN LAB. LTD.,**  
reported in 1996(16) PTC 44 (Bom).

(viii) **TORRENT PHARMACEUTICALS LTD., VS. THE  
WELLCOME FOUNDATION LTD.,** reported in  
2002(24) PTC 580 (Guj.).

(ix) **CADILA HEALTH CARE LTD., VS. CADILA  
PHARMACEUTICALS LTD.,** reported in AIR 2001  
SC 1952 (para 18 to 32).

4.3 On the aspects of delay, Shri Mihir Thakore, learned Senior Advocate appearing on behalf of the appellant-plaintiff has relied upon the decision of the Hon'ble Supreme Court in the case of **MIDAS HYGIENCE INDUSTRIES (P) LTD. AND ANOTHER VS. SUDHIR BHATIA AND OTHERS** reported in (2004) 3 SCC 90 (para 5) and it is submitted that mere there is a delay is no ground not to grant injunction in a case for

infringement of trade mark. By making the above submissions and relying upon the above decisions, it is requested to allow the present appeal from order and grant the injunction as prayed for.

5. Appeal from order is opposed by Shri D.Venkat Reddy on behalf of the defendant No.1. Appeal from order is opposed mainly on the following grounds:

- (1) Plaintiff is not a proper party and no cause of action has arisen so far as plaintiff is concerned.
- (2) There is no infringement of trade mark OCID by using the trade mark DOMOCID.
- (3) Both the trade marks OCID and DOMOCID are not similar to each other.
- (4) Plaintiff is not entitled to at least

injunction on the ground of acquiescence, delay and latches.

(5) Plaintiff has not approached the Court with clean hands and suppressed the facts.

(6) Product having trade mark OCID is not being sold in the market and what is sold is OCID-10 and OCID-20.

(7) There is no assignment of trade mark OCID in favour of the plaintiff as required under Section 45 of the Trade Marks Act.

5.1 It is submitted by Shri D.Venkat Reddy, learned advocate appearing on behalf of the defendant No.1 that the suit is filed in the name of M/s.Cadila Health Care Limited

whereas the documents filed by the plaintiffs are in the name of Cadila Chemicals Limited. There is no valid assignment of trade mark OCID in favour of the plaintiffs. Their application for assignment of the trade mark OCID is still pending before the Registrar of Trade Marks and unless and until the trade mark OCID is assigned by specific order of the appropriate authority under Section 45 of the Act, plaintiff cannot claim any right under the trade mark OCID which is in the name of M/s.Cadila Chemicals Limited. Under the circumstances, the plaintiff has no locus and/or right to file the suit for infringement of trade mark OCID which is not in their name.

5.2 In support of his above submission he has relied upon the decision of the Delhi High Court in the case of **SHAW WALLACE & CO.**



**LTD. AND ANOTHER VS. SUPERIOR INDUSTRIES LIMITED reported in 2007(35) PTC 782 (Del.) (para 9).**

5.3 It is further submitted that the suit is filed for infringement of trade mark OCID which is valued at Rs.600/- only and even no board resolution (Order 29 Rule 1 of the CPC and Section 291 of the Companies Act, 1956) is filed for the institution of the suit and the person who has signed the affidavit is not an authorised person of the plaintiff's company. No Memorandum and/or Articles of Association is filed.

5.4 He has further submitted that even the trade mark DOMOCID of the defendant No.1 is coined of which "DOM" stands for Domperidone and "O" stands for Omeprazole and "CID" stands for Acid control and it is a

combination drug used ulcer. It is further submitted that as such the plaintiffs are not using such trade mark by the name of OCID and only its variants OCID-B, OCID-10, OCID-20 and OCID-QRS are used and they are available in the market. The suit is filed for infringement of trade mark OCID only. That the defendant has got no business in Ahmedabad and there is no commercial scale of violation. It is further submitted that OCID is not a coined word but it is a common word. That both the drugs are Schedule-H drugs and used for the same ailments. The drugs cannot be made available in the market without the prescription of a qualified medical practitioner and even assuming if one drug is given for another there will not be disastrous consequences. It is submitted that as such DOMOCID is mainly used to stop vomiting sensation having combination of

other things.

5.5 Shri D.Venkat Reddy, learned advocate has relied upon the decision of the Delhi High Court in the case of **SBL LIMITED VS. HIMALAYA DRUG COMPANY** reported in 1997-DLT-67-803 in support of his above submission.

5.6 It is also further submitted that the trade mark of the plaintiff is OCID and the trade mark of the defendant No.1 DOMOCID and both are not similar to each other and comparison of the labels clearly establishes the case. It is submitted that with respect to both the drugs packing style is different, composition of the drug is different, one is tablet and another one is capsule, price structure is different, size of the strip is different and both are Schedule-H drugs, and therefore, there is no likelihood of

confusion at all. It is true that there is no similarity of any kind between both the trade marks. There is neither the phonetical similarity nor the deceptive similarity. It is also further submitted that there are several trade marks in the market which are having the "OCID" as a part of trade mark such as NOCID, OMECID, TOCID, OKACID, GASTROCID etc.

5.7 It is submitted that the trade mark are required to be studied as a whole and are not to be dissected part by part. He has relied upon the decision in the case of **CADILA LABORATORIES LIMITED VS. DABUR INDIA LIMITED** reported in 1997-DLT-66-742 (with respect to trade mark ZEXATE vs. MEXATE) and the decision of the Hon'ble Supreme Court in the case of **F.HOFFMANN LA ROCHE AND CO.LTD VS. GEOFFRY MANNER AND CO.LTD.**, reported in AIR 1970 SC 2062

**(trademarks PROTOVIT vs. DROPOVIT).**

5.8 It is also further submitted that in the pharmaceuticals business generic names as a prefix or suffix are permitted. In support of this he has relied upon the decision in the case of **AVIAT CHEMICALS PVT. LTD., AND ANOTHER vs. INTAS PHARMACEUTICALS LIMITED** reported in **2001-PTC-601 (Delhi)** (trade marks **LIPI vs. LIPICARD**).

5.9 It is further submitted that when the trade mark is coined there is no similarity and when the pharmaceutical product is Schedule-H drug it cannot be given without doctors prescription and therefore the injunction is not required to be granted.

5.10 He has relied upon the decision in the case of **CADILA LABORATORIES LIMITED VS. DABUR INDIA LIMITED** reported in **1997-DLT-66-742**

(with respect to the trade marks ZEXATE vs. MEXATE). It is submitted that the trade mark SPARDAC and SUPERDAC are considered not to be similar to each other in CADILA HEALTHCARE LIMITED VS. SWISS PHARMA PVT. LTD., reported in 2002(24) PTC 708 (Guj.). It is further submitted that it is dangerous to split the word and also when the particular word becomes public juris there will not be any similarity as observed in trade marks ZINCOVIT vs ZINCONIA in the case of APEX LABORATORIES LIMITED VS. ZUVENTUS HEALTH CARE LIMITED reported in 2006(33) PTC-492 (Mad).

5.11 It is further submitted that the plaintiff cannot have monopoly on particular form of packing, and even if the colour of the packing is same, the trade marks are to be considered dissimilar as observed in the case of CIPLA LIMITED vs. M.K. PHARMACEUTICALS

reported in 2008(36) PTC-166 (Del.) as well as RICH PRODUCTS CORPORATION AND ANOTHER VS. INDO NIPPON FOODS LIMITED reported in 2007(35) PTC-15(Del).

5.12 It is submitted that the trade marks **BONITS VS. BONILA** are considered to be dissimilar to each other in **BORACHEM INDUSTRIES PVT. LTD., PUNE VS. FABRIL GASOSA CAMPAL – PUNJIM** reported in 1991-PTC 274. It is further submitted that even in **ANJIREDDY, HYD-1 VS. HOECHST AKTIENGESELLSCHAFT** reported in 2007(34) PTC-585 (Mad), the trade marks **NOVIGAN** and **NOVALGIN** are considered to be dissimilar.

5.13 It is submitted that even the Hon'ble Supreme Court in the case of **J.R.KAPOOR VS. MICRONICS INDIA** reported in 1994-PTC-260, the Hon'ble Apex Court has held that there is no similarity between the trademarks **MICROTEL** and **MICRONIX**. It is further submitted

that in **SCHERING CORPORATION AND OTHERS VS. GETWELL LIFESCIENCES INDIA PVT. LTD.**, reported in **2008(37) PTC-487 (Del.)** has also that there is no similarity between the trademarks TEMODAR, TEMODAL and TEMOGET.

5.14 Shri D.Venkat Reddy, learned advocate appearing on behalf of the defendant No.1 has further submitted that even otherwise the plaintiff is not entitled to injunction as prayed for on the ground of delay, laches and acquiescence. It is submitted that the defendant No.1 is in the market, selling the product DOMOCID since 2002. It is submitted that even the averments in the plaint by the plaintiffs that they are aware of the trade mark of DOMOCID of the defendant No.1 very recently is incorrect. It is submitted that there are documents which are produced on record by the defendant No.1 reveals that the



trade mark OCID and DOMOCID are reflected in the Trade Mark Journals in the year 2002 and therefore the plaintiff is barred from seeking the injunction after the period of six years by giving the false statements. It is submitted that it can be said that by not taking the action the plaintiff has acquiesced his rights. It is submitted that as held by the Hon'ble Supreme Court in the case of **POWER CONTROL APPLICANCES VS. SUMIT MACHINES PVT. LTD.**, reported in 1994(2) SCC 448, the plaintiff cannot sit on his rights when others are invading and being knowing about the infringement of their rights cannot question after a gap being permitting others to built up an empire. He has also relied upon the decision in the case of **JOEL INC. VS. SHOBANLAL JAIN AND OTHERS** reported in 2001 PTC 216. It is also further submitted that even the plaintiff has not approached

the court with clean hands and suppressed the material facts. It is further submitted that the plaintiff claims to be the owner of trade mark OCID since 1992, however not a single invoice have been filed in support of their claim. However, the latest invoice have been filed is of the year 2000, the date of invoice is shown as 28.12.2000 and whereas GST No.0738014010 dated 1.7.2002 is shown, the said invoice cannot be believed. It is further submitted that no invoice shows the trade mark OCID. That the defendant No.1 is manufacturing the product under the trade mark DOMOCID and is in the market since 2001 and the invoices and bills are produced on record. It is further submitted that the plaintiff is aware of the trade mark of the defendant No.1 since 2002 and no cause of action has arisen to file the suit and what is stated particularly with respect to cause

of action is incorrect and only to avoid the question of delay and latches. He has relied upon the decision in the case of **ANURADHA VS. CANARA BANK reported in 2006-ALT-4-581.**

5.15 By making the above submissions and relying upon the above decisions, it is requested to dismiss the appeal from order by submitting that the trial court has not committed any error in refusing to grant the interim injunction against the defendants.

6. Heard the learned advocates appearing on behalf of the respective parties at length.

7. That Notice of Motion was taken out by the appellants – original plaintiff for restraining defendants from using their trade mark 'DOMOCID' so as to infringe plaintiff's registered trade mark of 'OCID' and so as to

pass off their goods. It is to be noted that both drugs are Schedule H drugs and used for same ailments. The said drugs cannot be made available in the market without the prescription of a qualified medical practitioner.

8. A preliminary contention is raised by the defendants with respect to maintainability of Suit by the plaintiffs for alleged infringement of trade mark / name 'OCID'. It is the case on behalf of the defendants that drug named 'OCID' has been registered in the name of one Cadila Chemicals Limited and there is no assignment of trade mark / name of 'OCID' in favour of the plaintiff' I.e. Cadila Health Care Limited as required under Section 45 of the Trade Mark Act. On the other hand it is the case on behalf of the plaintiff's that mark 'OCID' was applied for registration by

Cadila Chemicals Limited leading Pharmaceutical Company (erstwhile company of 'Cadila group') under the provisions of Trade Mark Act and same was registered on 03.01.1991 and same has been renewed from time to time and is renewed upto 03.01.2015. It is the case on behalf of the plaintiffs that in the year 1995 Cadila Group of Companies decided to restructure the business of its group companies and accordingly business of Cadila Chemicals Limited has been transferred to two transferee Companies viz. Cadila Health Care Limited – plaintiff and Cadila Pharmaceuticals Limited with all its property right and trade marks both registered and unregistered as per order dated 02.05.1997 passed by this Court in Company Petition No.84 of 1996 connected with Company Application No.200 of 1995. Thus, according to the plaintiffs registered trade mark 'OCID' is assigned to the plaintiff

company – Cadila Healthcare Limited with effect from 02.05.1997. Therefore, first question posed for this Court is whether without any assignment of trade mark as provided under Section 45 of the Trade Marks Act, person in whose favour proprietor / business of the company / person in whose favour trade mark is assigned can file Suit for infringement of registered trade mark which was in favour of transferor company. It is to be noted that nothing is on record to show that Cadila Healthcare Limited – plaintiff had at any point of time applied in the prescribed manner to the Registrar to register its title on the basis of transfer of business of Cadila Pharmaceutical Limited in whose favour trade mark 'OCID is registered.

8.1 Section 45 of the The Trade Marks Act, 1999 is as under :-

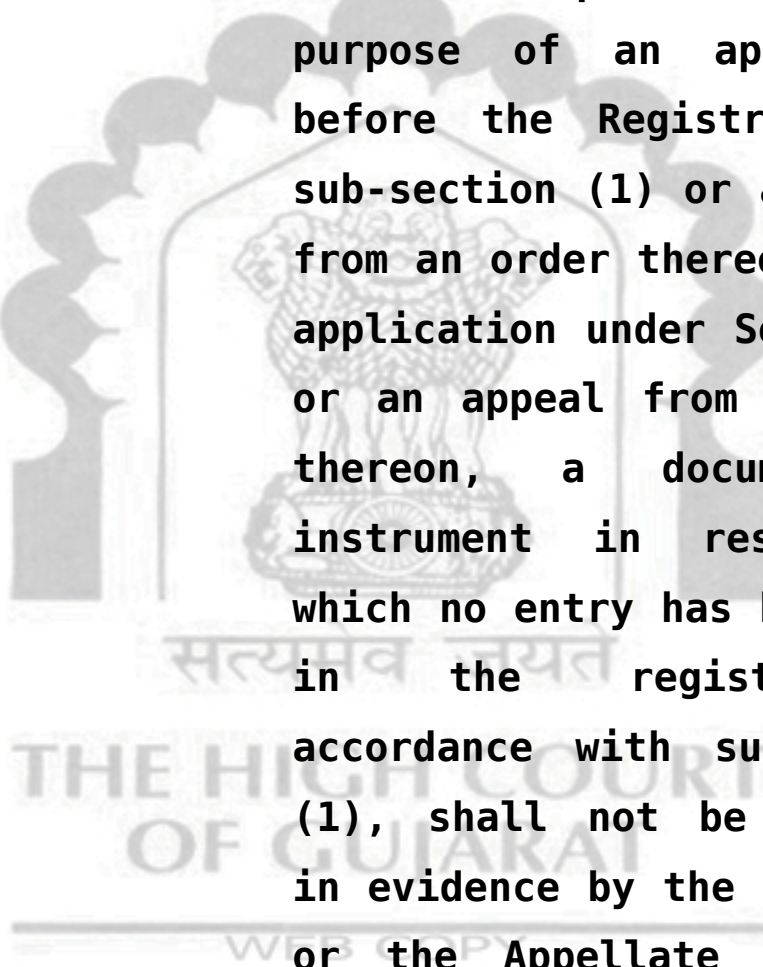
**“ Section 45. Registration of assignments and transmission:-**

(1).Where a person becomes entitled by assignment or transmission to a registered trade mark, he shall apply in the prescribed manner to the Registrar to register his title, and the Registrar shall, on the receipt of the said application and on proof of title to his satisfaction, register him as the proprietor of the trade mark in respect of the goods or services in respect of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the register;

Provided that where the validity of an assignment or transmission is in dispute between the parties, the Registrar may refuse to

register the assignment or transmission until the rights of the parties have been determined by a competent court.

(2). Except for the purpose of an application before the Registrar under sub-section (1) or an appeal from an order thereon, or an application under Section 57 or an appeal from an order thereon, a document or instrument in respect of which no entry has been made in the register in accordance with sub-section (1), shall not be admitted in evidence by the Registrar or the Appellate Board or any Court in proof of title to the trade mark by assignment or transmission unless the Registrar or the Appellate Board or the Court, as the case may be, otherwise directs.





Therefore, as per section 45 of the Act, where a person becomes entitled by assignment or transmission to a registered trade mark, he shall apply in the prescribed manner to the Registrar to register his title, and the Registrar shall, on the receipt of the said application and on proof of title to his satisfaction, register him as the proprietor of the trade mark in respect of the goods or services in respect of which the assignment or transmission has effect, and shall cause particulars of the assignment or transmission to be entered on the register. It is to be noted that in case where there is dispute between the parties with respect to validity of assignment or transmission, Registrar may refuse to register the assignment or transmission until the rights of the parties have been determined by a competent Court. As

per sub-section (2) of section 45 of the Act, document or instrument in respect of which no entry has been made in the register in accordance with sub-section (1), shall not be admitted in evidence by the Registrar or the Appellate Board or any Court in proof of title to the trade mark by assignment or transmission unless the Registrar or the Appellate Board or the Court, as the case may be, otherwise directs. As stated above, plaintiffs claim assignment of the trade mark 'OCID' only on the basis of decision of this Court dated 02.05.1997 passed in Company Petition No.84 of 1996 connected with Company Application No.200 of 1995.

8.2. At this stage it is to be noted that proceedings being Company Petition No.84 of 1996 connected with Company Application

No.200 of 1995 were initiated under the provisions of Companies Act as Cadila group of Companies to restructure the business of its group companies and transfer business of Cadila Chemicals Limited in whose favour trade mark 'OCIC' was registered to transferee company i.e. Cadila Health Care Limited – plaintiff and Cadila Pharmaceuticals Limited. Thus, it can be said that pursuant to the order passed by this Court in aforesaid Company Petition, property and business of Cadila Chemical Limited (owner of registered trade mark 'OCID') along with trade name / mark 'OCID' came to be transferred in favour of Cadila Healthcare Limited – plaintiff and Cadila Pharmaceutical Limited. Thus it can be that on the basis of order passed by this Court in aforesaid Company Petition No.84 of 1996 connected with Company Application No.200 of 1995, plaintiff – Cadila Healthcare Limited

became entitled to assignment / transmission of the registered trade mark 'OCID'. However, for the purpose of getting rights and privileges under the Trade Mark Act, such a trade mark which is assigned or transmitted is to be registered in the name of assignee i.e. in the present case Cadila Healthcare Limited – plaintiff as provided under section 45 of the Act.

8.3. Chapter V of the Act deals with assignment and transmission of Trade Mark Act. Section 37 to 45 make provisions with respect to assignment and transmission of Trade Mark Act. By the aforesaid provisions right of registered proprietor has the power to assign the trade mark for any consideration and to give effectual receipts for any consideration. Registered trade mark is assignable and transmissible like any other property.

However, such a transmission of certification of trade mark can only be done with consent of Registrar. As per section 38 of the Act, Notwithstanding anything in any other law to the contrary, a registered trade mark shall, subject to the provisions of this Chapter, be assignable and transmissible, whether with or without the goodwill of the business concerned and in respect either of all the goods or services in respect of which the trade mark is registered or of some only of those goods or services. As per section 39 of the Act, even unregistered trade mark may be assigned or transmitted. However, there are certain restrictions on assignment or transmission as provided under section 40 and 41 of the Trade Mark Act. As per section 43 of the Act, a certification trade mark shall not be assignable or transmissible otherwise than with the consent of the Registrar, for which

application shall be made in writing in the prescribed manner. As per section 45 of the Act, where any party claims assignment of trade mark, it is mandatory to make application to the Registrar to register his title and on receipt of the application and on proof of title to the satisfaction, register him as the proprietor of transmission has effect and shall cause particulars of the assignment or transmission to be entered on the register. Thus, only on necessary entry in the register with respect to assignment of trade mark in the name of assignee, such a assignee can claim right and privileges of said registered trade mark, as provided under the provisions of Trade Mark Act. Even as per sub-section (2) of Section 45 of the Act, such an assignment or transmission in respect of which no entry has been made in the register in accordance with sub-section (1), shall not

be admitted in evidence by the Registrar or Appellate Board or any Court in proof of title to the trade mark by assignment or transmission. In the present case, nothing is on record whether plaintiff – Cadila Healthcare Limited had at any point of time applied to the Registrar to register its title on the basis of assignment / transmission of trade mark 'OCID' which according to the plaintiff they were entitled to as aforesaid order passed by this Court in the aforesaid Company Petition No.84 of 1996 connected with Company Application No.200 of 1995. Nothing is on record whether trade mark 'OCID' is registered in the name of plaintiff – Cadila Healthcare Limited and /or name of plaintiff – Cadila Healthcare Limited is registered in the register maintained by the Registrar. Thus, in absence of any application by the plaintiff – Cadila Healthcare Limited to assign or

transmit registered trade mark 'OCID' in the name of plaintiff and any entry in favour of plaintiff – Cadila Healthcare Limited in the register maintained by the Registrar and/or any order passed by the Registrar assigning and/or transmitting registered trade mark 'OCID' in the name of plaintiff – Cadila Healthcare Limited, plaintiff cannot file Suit for infringement of trade mark 'OCID' which is in the name of Cadila Chemical Limited and plaintiff – Cadila Healthcare Limited cannot have any privileges and/or rights under the Trade Mark Act of trade mark 'OCID'. On the basis of order passed by this court in Company Petition No.84 of 1996, plaintiff – Cadila Healthcare Limited can pray for assignment and/or claim assignment and/or transmissible of the trade mark 'OCID' but thereafter, plaintiff – Cadila Healthcare Limited is required to apply for registration of such



assignment or transmission as provided under Section 45 of the Act. Learned Advocate for the defendants is right in making submission that present Suit by the plaintiff – Cadila Healthcare Limited for infringement of trade mark 'OCID' is not maintainable. Thus, it is held that in absence of any registration / assignment or transmission of registered trade mark 'OCID' in favour of plaintiff as provided under Section 45 of the Act, it cannot be said that plaintiff – Cadila Healthcare Limited is owner of registered trade mark 'OCID' for which it can file Suit of infringement of trade mark 'OCID'.

9. Even otherwise on merits also, plaintiff has not case. According to plaintiff, defendants have infringed registered Trade Mark 'OCID' by using their mark 'DOMOCID'. At the outset, it is required

to be noted that nothing is on record whether plaintiffs are manufacturing drugs in the trade mark 'OCID'. Plaintiffs are not using any trade mark by the name of OCID and only its variance OCID – B, OCID-10, OCID-20 and OCID-QRS are used and they are available in the market. It is to be noted that 'OCID' is not a coined word and it is a common word, against which it is the case on behalf of the defendants that trade mark 'DOMOCID' is coined of which **DOM** stands for **DOMPERIDONE** and **O** stands for **OMEPROZOLE** and **CID** stands for **ACID** Control and it is a combination drug used for ulcer. Thus comparing drugs 'DOMOCID' with 'OCID' and in order to find out whether the former is deceptively similar to the later and whether it is likely to deceive or cause confusion, each of two words must be taken as a whole. The comparison has not to be microscopic but general and casual as that of

a customer walking into a shop. On such comparison, the mark 'DOMOCID' to be dissimilar to 'OCID', visually and structurally compared, the 'DOMOCID' is different. 'DOMOCID' has more letters than 'OCID'. It starts with different consonant. Phonetically also impugned mark is different. Word 'DOMOCID' when pronounced cannot be mistaken for 'OCID' as it is thus phonetically different although the entire word 'OCID' is absorbed by it. The prefix 'DOM' stands for 'DOMOCID' is coined of which **DOM** stands for **DOMPERIDONE** and **O** stands for **OMEPROZOLE** and **CID** stands for **ACID** Control. Thus, 'DOMOCID' is visually, phonetically and structurally different from word 'OCID' and it is, thus neither deceptively similar nor the use thereof is likely to deceive or cause confusion. It is to be noted and as stated above, both drugs are schedule H drugs and same cannot be made available without

prescription of qualified medical practitioner. As observed by the Bombay High Court in the case of **Reckitt & Coleman of India Ltd. reported in PTC (Suppl) 1 284 (Bom)**, when the rival marks were found deceptively similar and where the drugs and their packing were also found similar, the factor regarding a drug being Schedule 'H' drug has to be ignored. On the other hand, where the marks and also other factors like the product and packing have been found not to be similar and not likely to create confusion and where the impugned mark related to Schedule 'H' drug, the factor of the product being sold only by a licensed chemist and that too against a doctor's prescription is to be given due weightage. As observed by the Bombay High Court in the said decision, product being Schedule 'H' drug is considered as it has direct nexus with the important

factors, viz. The class of people dealing with the products and the mode of sale. As observed, only when other factors like deceptive similarity of marks, products and the packing are considered and answered in favour of complaining party that the same is ignored.

10. In the present case, impugned drug 'DOMOCID' is not deceptively similar to 'OCID'. That products are not similar and packing and price are not similar and therefore, is not likely to create confusion. It appears that even packing style and both drugs are different; composition of drug is different, one is tablet and another one is capsule, size of strip is different and both are schedule 'H' drugs., therefore, impugned mark 'DOMOCID' is neither phonetically nor visually similar to 'OCID'. It is also

required to be noted at this stage that plaintiff is manufacturing drug by the name of OCID – B, OCID-10, OCID-20 and OCID-QRS against which defendant no.1 is using drug 'DOMOCID' which is not likely to be confused with the name of products of plaintiff. Thus, on facts also plaintiff has failed to prove any similarity between mark 'DOMOCID' with 'OCID', which is likely to create confusion.

11. In view of aforesaid finding, decisions relied upon by the learned Advocate for the appellants referred to herein above are not of any assistance to the plaintiff considering facts and circumstances of the case and observations made herein above. It is also required to be noted that even there are other drugs viz. NOCID, GOCID which can be said to be similar to that of 'OCID'.

12. Thus, on facts, plaintiff has failed to prove any prima facie case and is not entitled for injunction as prayed for. As on facts this Court has held that mark 'DOMOCID' is not similar to that of 'OCID' and is not likely to create any confusion, this Court is not considering submissions of defendants with respect to delay and laches etc. Said question is kept open i.e. whether injunction allowing infringement of trade mark can be refused on the ground of delay and laches.

13. Considering above, it appears that learned Trial Court has rightly exercised discretion by refusing to grant injunction in favour of the plaintiffs. At this stage, decision of the Hon'ble Supreme Court in the case of *Wander Ltd. And Anr. v/s. Antox India Pv. Ltd.* reported in *1990 (supp) SCC 727* is required to be referred to. Hon'ble Supreme

Court in para 14 of the said decision has observed as under :-

*“The appellate Court will not interfere with the exercise of discretion of the Court of first instance and substitute its own discretion except where the discretion has been shown to have been exercised arbitrarily, or capriciously or perversely or where the Court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. An appeal against exercise of discretion is said to be an appeal on principle. Appellate Court will not reassess the material and seek to reach a conclusion different from the one reached by the court below solely on the ground that if it had considered the matter at the trial stage it would have come to a contrary*



*conclusion. If the discretion has been exercised by the trial court reasonably and in a judicial manner the fact that the appellate court would have taken a different view may not justify interference with the trial court's exercise of discretion."*

14. In view of above and for the reasons stated above, it cannot be said that learned trial Court has committed any error in refusing to grant in petition as prayed for which calls for interference of this Court in exercise of appellate jurisdiction under Order 43 Rule 1 of CPC. Under the circumstances, Appeal from Order deserves to be dismissed and accordingly it is dismissed. Ad interim relief, if any, stands vacated. In view of dismissal of Appeal from Order, no order in Civil Application.

**[M.R.Shah, J.]**

*satish*

