

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL JURISDICTION

INTERIM APPLICATION (L) NO. 4586 OF 2024

IN

INTERIM APPLICATION (L) NO. 22226 OF 2023

IN

COMMERCIAL IPR SUIT (L) NO. 21853 OF 2023

Mangalam Organics Ltd.

...Applicant/ Plaintiff

Versus

Patanjali Ayurved Ltd. & Ors.

... Defendants

Hiren Kamod a/w Anees Patel, Usha Chandrasekhar, Avisha Mehta i/b Suvarna Joshi for the Applicant/Plaintiff.

Zal Andhyarujina, Senior Counsel a/w Serena Jethmalani i/by Archit Virmani, Atul Gupta, Anshul Kochar, R. Kumar for Defendant No.1 present.

Gajanan Surve, Section Officer, Office of the Court Receiver present.

CORAM : R.I. CHAGLA J

DATE : 8 July 2024

SHARAYU PANDURANG KHOT

ORDER :

Mr. Andhyarujina, the learned Senior Counsel

appearing for the Defendants has tendered Affidavit in Reply dated

2nd June 2024 which includes an unconditional and unqualified apology on behalf of Defendant No. 1 and an undertaking to abide by the orders passed by this Court. The said Affidavit is taken on record.

2. In the said Affidavit, Rajneesh Mishra, who was the Deponent of the earlier Affidavits and who has also been joined in his individual capacity as Defendant No. 10 in the Application of the Plaintiff filed under Order XXXIX Rule 2(A) of the Code of Civil Procedure, 1908 ("CPC") for breach of the ad-interim order dated 30th August 2023 has admitted having committed breach of the ad-interim order. He has stated that after coming to the knowledge of the Defendants of the said *ad-interim* order i.e. on 28th September 2023, the Defendants had carried out supply and sale of the injuncted product. In paragraph 6 of the said Affidavit, the Deponent has stated that post the passing of the injunction order, there have been a cumulative supply of the impugned Camphor product amounting to Rs. 49,57,861/- inclusive of taxes to the Defendant No. 1's whole sellers/distributors and authorised stores out of which the stock value of Rs. 25,94,505/- is still lying at

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Defendant No. 1's whole sellers/distributors and authorised stores which has been ceased at that respective location. An undertaking has been given by Defendant No. 1 to the effect that selling of the balance stock of Rs. 25,94,505/- has been stopped.

3. Mr. Kamod, learned Counsel appearing for the Applicant/Plaintiff has tendered a compilation of documents for which he has sought leave to file an Affidavit bringing these documents on record and to counter the said Affidavit filed on behalf of the Defendant No. 1 dated 2nd July 2024. The compilation of documents contain documents to show that there have been sale of the impugned Camphor product as recent as on 3rd July, 4th July and 8th July 2024. Further, the website of Defendant No. 1 also shows the impugned Camphor product being offered for sale as on 8th July 2024. He has submitted that the Defendants are in persistent breach of the *ad-interim* order dated 30th August 2023 and which breach continues. This is inspite of this Court by subsequent orders noting that the Defendants are in willful disregard of orders of this Court and directing the Respondent No. 10 to remain present in the Court and the

Defendants to give details as to whether there are further sales of the impugned Camphor product of the Defendants.

4. Mr. Kamod has submitted that in the said Affidavit which is now being filed on behalf of the Defendant No. 1, there is no mention of the sales by the Defendant No. 1 of the impugned Camphor product i.e. after 24th June 2024. He has submitted that the Defendant No. 1 by not disclosing such sales has misrepresented to this Court that the cumulative supply of impugned Camphor product is only amounting to Rs. 49,67,861/post the passing of the impugned injunction order. He has submitted that there has been supplies far in excess of this amount and for which an appropriate Affidavit will be filed by the Plaintiff disclosing the same by placing reliance on relevant documents.

5. Having considered that the Defendant No. 1 in the said Affidavit dated 2nd July 2024 has itself admitted that it has been supplying the impugned Camphor products post the injunction order and which according to Defendant No. 1, continued till 24th June 2024, there is an admission as to the breach of the injunction order

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having been committed by Defendants for which the Defendants would necessarily have to purge the contempt of the injunction order. Further, from the compilation of documents which have been tendered on behalf of the Applicant/Plaintiff, there appears to be subsequent supply/sale of the impugned Camphor products carried out by Defendant No. 1 post 24th June 2024 and as recent as on 8th July 2024. There also appears to be on the website of Defendant No.1 offer of the impugned Camphor product. Such persistent breach of the injunction order dated 30th August 2023 by Defendant No. 1 cannot be tolerated by this Court.

6. Accordingly, it is appropriate to direct the Defendant No.1 prior to passing of order for contempt/breach of the injunction order to deposit in this Court, within a period of one week from the date of this order, a sum of Rs. 50,00,000/- (Rupees Fifty Lakh only) to the account of the Prothonotary & Senior Master of this Court.

7. The Applicant/Plaintiff is permitted to file an Affidavit bringing on record the subsequent documents in forming part of the compilation of documents and which Affidavit shall be filed within a period of one week from the date of this order. The said Affidavit, 5/6

which shall be filed, shall also deal with the Affidavit filed on behalf of the Defendants dated 2nd July 2024, which has been taken on record.

8. The Defendants are at liberty to file Affidavit in Response to the Affidavit being filed by the Applicant/Plaintiff and which Affidavit shall be filed by 18th July 2022.

9. Matter shall be placed on 19th July 2024, High on Board for further consideration.

10. Earlier *ad-interim* order to continue to operate till further orders.

[R.I. CHAGLA J.]