

Delhi High Court

Sun Pharmaceutical Industries ... vs Dwd Pharmaceuticals Ltd on 22 November, 2022

Neutral Citation Number: 2022/DHC/005037

* IN THE HIGH COURT OF DELHI AT NEW DELHI

Reserved on: 01.11.
Date of decision: 22.

+ CS(COMM) 328/2022

SUN PHARMACEUTICAL INDUSTRIES LTD Plaintiff
Through: Mr.Sachin Gupta, Ms.Swati
Meena and Mr.Yashi Agrawal,
Advocates
versus

DWD PHARMACEUTICALS LTD Defendant
Through: Mr.Darpan Wadhwa, Sr. Adv. with
Mr.Karan Bajaj, Mr.RupinBahl
and Ms.Neelakshi, Advocates

CORAM:
HON'BLE MR. JUSTICE NAVIN CHAWLA
I.A.14992/2022

1. This application has been filed by the plaintiff praying that additional documents filed by it on 09.09.2022 be taken on record.
2. The plaintiff asserts that the additional documents are being filed to show that the word 'ZEST' is common to trade and that the filing of these documents has been necessitated due to the stand taken by the defendant in its written statement.
3. For reasons stated in the application, and as the suit is at an advanced stage, the application is allowed, and the additional documents are taken on record.
4. This order shall, however, not be read as accepting the admissibility or effect of these documents, and shall be without prejudice

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CS(COMM) 328/2022

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Signing Date:22.11.2022

18:13:57

Page 1

Neutral Citation Number: 2022/DHC/005037

to the rights and contentions of the defendant. The defendant shall also be entitled to file further rebuttal documents thereto, within a period of 14 weeks from the date of this judgment.

I.A. 7825/2022 and I.A. 9523/2022

5. I.A. No. 7825 of 2022 has been filed by the plaintiff praying the grant of an ad-interim injunction restraining the defendant from manufacturing, selling, offering for sale, advertising, directly or indirectly dealing in medicinal preparations under the mark 'FOLZEST' or any other trademark which is deceptively similar to the plaintiff's trademark 'FORZEST'.

6. This Court, vide order dated 19.05.2022, was pleased to pass interim ex-parte order restraining the defendant from using the mark 'FOLZEST' or any other trademark which is deceptively similar to the plaintiff's trade mark 'FORZEST'.

7. I.A. No. 9523 of 2022 was thereafter filed by the defendant under Order XXXIX Rule 4 read with Section 151 of the Code of Civil Procedure, 1908 (in short, the 'CPC') praying for setting aside the order of this Court dated 19.05.2022.

FACTUAL BACKGROUND

8. The plaintiff has filed the above suit inter alia contending that the plaintiff's predecessor-in-interest, namely, 'Ranbaxy Laboratories Ltd.', coined and adopted the trade mark 'FORZEST' in the year 2003 and has been using the same since then. The said mark is also registered vide application no. 1171650 dated 04.02.2003 in Class 05 for „pharmaceutical and medicinal preparations for human and veterinary Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 use'. The plaintiff has been recorded as the subsequent proprietor of the said trade mark with the Trade Mark Registry.

9. The plaintiff further asserts in the plaint that it was only in the first week of May, 2022, that the plaintiff came across the defendant's application seeking registration of the impugned mark 'FOLZEST' under application no. 4624943 dated 25.08.2020 on a „proposed to be used basis in Class 05; and the same was immediately opposed by the plaintiff on 04.05.2022.

10. The plaintiff further asserts that the plaintiff's mark 'FORZEST' was cited in the Examination Report against the trade mark application of the defendant, and the defendant vide reply dated 27.10.2020 stated that the cited mark, that is, 'FORZEST', is different, phonetically as also visually, from the defendant's mark. It was further contended that the defendant is the registered proprietor of various 'ZEST' trade marks. The trade mark application of the defendant was thereafter advertised on 31.01.2022 and is pending consideration before the Trade Marks Registry.

11. The plaintiff asserts that the adoption of a similar mark to that of the plaintiff by the defendant amounts to infringement of the plaintiff's trade mark as also passing off and unfair competition.

12. As noted hereinabove, based on the assertions of the plaintiff and the documents filed with the plaint, this Court on 19.05.2022 passed an ad-interim ex-parte order of injunction against the defendant restraining the defendant from selling its medicinal preparations under the impugned mark 'FOLZEST'.

Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037

13. The defendant in its application, being I.A. No.9523 of 2022, has asserted that the plaintiff obtained the above ad-interim ex-parte order of injunction by concealing various material facts from this Court. It is asserted that the defendant is a leading manufacturer and distributor of pharmaceutical products in the domestic and international markets. It is a registered proprietor of the trade mark 'ZEST' since the year 1983, and has a family of registered trade marks, with 'ZEST' forming a part of them (hereinafter referred to as 'the ZEST Family of Marks'), the details of which are as under:-

Sr.No.	Trade mark name	Registration Year of Number	Registration
1	ZEST	4066398	13/06/1983
2	ZESTCAL	1220931	06/08/2003
3	ZESTVIT	1368996	05/07/2005
4	CALCIZEST	799399	21/04/1998
5	DIZEST	662839	19/04/1995
6	ENERZEST	782695	17/12/1997
7	EVERZEST	731043	21/01/1997
8	FERIZEST	1086863	13/03/2002
9	HEMOZEST	719261	11/10/1996
10	ZEST D3	4069712	28/01/2019

14. It is further asserted that the plaintiff was well-aware of not only the registration of the mark 'ZEST' in favour of the defendant, but also of the other marks registered and used by the defendant, inasmuch as, the plaintiff had earlier applied for the registration of the mark 'EXEZEST', which was opposed by the defendant way back in the year 2009, citing Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 the 'ZEST' Family of Marks. The said opposition is still pending adjudication before the Trade Marks Registry.

15. The plaintiff thereafter applied for registration of its mark 'TRIOLMEZEST', which was also opposed by the defendant on 30.12.2014 on the ground of the defendant being the registered proprietor of the 'ZEST' Family of Marks. Even for the subject-mark, that is, 'FORZEST', when the predecessor-in-interest of the plaintiff applied for registration, the defendant's mark 'FERIZEST' was cited as a conflicting mark. The plaintiff has also not disclosed the reply that was filed by the plaintiff/its predecessor-in-interest before the Trade Mark Registry against the said Examination Report. It is the case of the defendant that the plaintiff has intentionally not disclosed the above facts in its plaint, and is, therefore, guilty of concealing material facts. SUBMISSIONS ON BEHALF OF THE LEARNED SENIOR COUNSEL FOR THE DEFENDANT:

16. Mr.Darpan Wadhwa, the learned senior counsel for the defendant, submits that the above facts were material to be disclosed by the plaintiff in the plaint as they would have clearly disproved the assertion of the plaintiff that it came to know of the defendant and their use of the mark 'FOLZEST' only in the first week of May, 2022. In fact, it would also have shown to this Court that the defendant has numerous registrations, of which the word 'ZEST' is an important and integral part, and it is the plaintiff, who with a mala fide intent, is trying to usurp the same. Placing reliance on the judgments of the Supreme Court in K.D. Sharma v. Steel Authority of India Limited and Others, (2008) 12 SCC 481; Amar Singh v. Union of India and Others, (2011) 7 SCC 69; and Ramjas

Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral

Citation Number: 2022/DHC/005037 Foundation and Another v. Union of India and Others, (2010) 14 SCC 38, the learned senior counsel for the defendant submits that as the plaintiff has approached this Court with unclean hands by concealing and suppressing material facts and documents, it is not entitled to be heard on the merits of its claim and the application filed by the plaintiff under Order XXXIX Rules 1 and 2 of the CPC, being I.A. No. 7825 of 2022, is liable to be dismissed in limine.

17. Placing reliance on judgments passed by this Court in Kent RO System Ltd. and Ors. v. Gattubhai and Ors., 2022/DHC/000996, Columbia Sportswear Company v. Harish Footwear and Anr., 2017 SCC OnLine Del 8122, Micolube India Ltd. v. Maggon Auto Centre and Ors., 2008 SCC OnLine Del 160, and the order of this Court dated 20.10.2022 in Phonographic Performance Limited v. Azure Hospitality Private Limited and Ors., CS(COMM) 714 of 2022, the learned senior counsel for the defendant submits that the ad-interim ex-parte order of injunction granted by this Court is liable to be vacated on the ground of misrepresentation, concealment, and suppression of facts and of material documents by the plaintiff.

18. The learned senior counsel for the defendant further submits that even otherwise, the plaintiff is not entitled to the relief as prayed for in its application for an ad-interim injunction, inasmuch as, the mark of the plaintiff, that is, 'FORZEST', is descriptive in nature. He submits that it is the own assertion of the plaintiff that it is using the impugned mark 'FORZEST' for medicinal preparation that is used for treating erectile dysfunction in men. The plaintiff, in its replication and in the application under Sections 124 and 125 of the Trade Marks Act, 1999 (hereinafter Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 referred to as the 'Act'), being I.A. No.14991 of 2022, has further asserted that the word 'ZEST' has a dictionary meaning, that is, 'feeling of enjoyment, excitement and enthusiasm'. He submits that, in fact, the plaintiff has further asserted that the mark 'ZEST' is itself publici juris and is incapable of being monopolized by anyone. Therefore, the impugned mark, being a combination of the words 'FOR' and 'ZEST', is clearly descriptive of the pharmaceutical goods of the plaintiff, and no exclusivity can be claimed by the plaintiff in such a mark. SUBMISSIONS ON BEHALF OF THE LEARNED COUNSEL FOR THE PLAINTIFF:

19. On the other hand, Mr.Sachin Gupta, the learned counsel for the plaintiff, though was not available at the time of oral submissions, by way of written submissions, has asserted that the marks of the plaintiff and the defendant are deceptively similar and, therefore, the plaintiff is entitled to the ad-interim protection as had been granted by this Court vide order dated 19.05.2022.

20. He submits that the present suit/applications relate to pharmaceutical goods, wherein the threshold of confusion is low, the test of deceptive similarity is stringent, with public interest being paramount. The use of the medicinal preparations of the plaintiff and the defendant is different, with the medicinal preparation of the plaintiff targeting erectile dysfunction in men, while the medicinal preparation of the defendant is a multivitamin for pregnant women for lowering the risk of pre-term births. Thus, any confusion between the two marks can lead to wrongful consumption of the pharmaceutical goods by an unwary consumer, which in turn will lead to disastrous consequences. He submits that the Signature Not Verified CS(COMM) 328/2022 NEGI Signing

Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 defendant has, therefore, rightly been enjoined by this Court from selling its pharmaceutical goods under the mark 'FOLZEST'. In support, he places reliance on the judgment of the Supreme Court in Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd., (2001) 5 SCC 73; the judgment of this Court in Novartis AG v. Crest Pharma Pvt. Ltd. and Anr., 2009 SCC OnLine Del 4390; and the judgment of the High Court of Bombay in Charak Pharma Pvt. Ltd. v. Glenmark Pharmaceuticals Ltd., 2014 SCC OnLine Bom 98.

21. He further submits that the mark of the plaintiff is arbitrary and not derived from the salt 'TADALFIL' and is, therefore, entitled to protection.

22. He submits that the defendant cannot rely upon the registrations obtained by it in the 'ZEST' Family of Marks, inasmuch as, the argument of 'family of marks' is available only to a plaintiff and not to a defendant. In this regard, he places reliance on the celebrated text of „McCarthy on Trademarks and Unfair Competition', 2007 Thomson/West, Rel. 41, 3/3007.

23. He further submits that not only the plaintiff has other registrations with the mark 'ZEST', but there are also third parties co-existing in the market using different trade marks with the word 'ZEST' as either a prefix or a suffix, therefore, the defendant cannot claim any exclusivity over the word 'ZEST'. 'ZEST', even otherwise, is a common dictionary word over which no one person can claim exclusivity.

24. Answering the allegations of concealment and misstatement, he submits that the plaintiff in paragraph no.21 of the plaint had disclosed that the defendant has, in response to the Examination Report on its Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 application seeking registration of the mark 'FOLZEST', relied upon the 'ZEST' Family of Marks. He submits that the Examination Report for the application of the predecessor-in-interest of the plaintiff seeking registration of the subject-mark 'FORZEST', wherein the mark of the defendant, that is, 'FERIZEST', was cited as a prior mark, was not stated in the plaint as it was not deemed relevant. He submits that the reply submitted by the predecessor-in-interest of the plaintiff to the Examination Report is also not relevant as once the registration of a trade mark is granted, no reliance can be placed on such correspondence. In this regard, he places reliance on the judgment of this Court in Teleecare Network India Pvt. Ltd. v. Asus Technology Pvt. Ltd. and Ors., 2019 SCC OnLine Del 8739.

ANALYSIS AND FINDINGS:

25. I have considered the submissions made by the learned counsels for the parties.

26. At the outset, I would first reproduce herein below paragraph no.21 of the plaint, which, in the submission of learned counsel for the plaintiff, answers the allegations of the defendant of concealment and misstatement:-

"21. The Defendant has filed an application for registration of the impugned mark FOLZEST under no. 4624943 dated 25.08.2020, on proposed to be used basis, in class 5 for goods, namely, "pharmaceuticals, medical and veterinary preparations; ...". It is pertinent to note that the Plaintiff's trade mark FORZEST was cited in the examination report. The Defendant in its reply dated 27.10.2020 stated that the cited mark is absolutely different both phonetically & visually Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 from their mark. The Defendant further contended that they are the registered proprietors of various ZEST trade marks.

The Defendant's impugned application was advertised on 31.01.2022 and the same has been opposed by the Plaintiff on 04.05.2022. The said opposition proceedings are currently pending. It may be noted that the Defendant's impugned mark is also opposed by a third party, namely Shailendra Paltan Jaiswal on the basis of his alleged trade mark Ezzal's Folgest, which has also been opposed by the Plaintiff on 29.03.2022."

(Emphasis supplied)

27. I am unable to appreciate how the above averment in the plaint can sufficiently answer the allegations of concealment and misstatement made against the plaintiff by the defendant. As noted hereinabove, the defendant has contended that the plaintiff had earlier sought registration of its mark 'EXEZEST', which was opposed by the defendant in the year 2009 citing its 'ZEST' Family of Marks. The plaintiff then sought the registration of its mark 'TRIOLMEZEST', which was again opposed by the defendant in the year 2014 on the aforementioned ground. In fact, even in the application filed by the predecessor-in-interest of the plaintiff seeking registration of the subject-mark 'FORZEST', the mark of the defendant- 'FERIZEST' was cited in the Examination Report. These facts were important and material to be disclosed upfront in the plaint.

They would certainly have had a bearing on this Court while considering the relief of an ad-interim ex-parte injunction in favour of the plaintiff. The above facts would have put the Court to caution that the defendant Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 has a 'family of marks' with the word 'ZEST' being a predominant part thereof and that the defendant has been challenging the attempts of the plaintiff to get a mark registered with the word 'ZEST' forming a part thereof.

28. The plaintiff has also not filed the response given by the plaintiff/its predecessor-in-interest to the Examination Report for the subject-mark 'FORZEST'. The same would also have a bearing while determining, at least at an ex-parte stage, whether the plaintiff was entitled to any relief of interim injunction or not. The plea that the mark 'FERIZEST' is not in use has been contended only now by the plaintiff and is, in any case, not relevant. Clearly, the plaintiff, with a mala fide intent, sought to mislead this Court by concealing material facts from this Court.

29. In S.K. Sachdeva & Anr. v. Shri Educare Ltd. & Anr., 2016 SCC OnLine Del 6708, a Division Bench of this Court held as under:-

"16. The stand taken by the respondents by its letter dated 08.06.2012 was that the word „SHRI RAM represented a popular figure and deity in Hinduism and no one proprietor could claim exclusive rights on the mark „SHRI RAM . It was further categorically admitted that several „SHRI RAM formulative marks were co-existing on the register of trademarks in respect of the same services i.e. of schools. This fact was conveniently omitted by the respondents from the plaint. It is not possible to believe that the respondents were not aware of the stand taken on 08.06.2012 inasmuch as the respondents only a few days prior to the filing of the suit on 24.04.2014 had written the letter dated 15.04.2014 to the Trademark Registry withdrawing the earlier stand taken by letter dated 08.06.2012. There is no basis/rationale given by the respondents for withdrawal of the said admissions made by the Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 said letter dated 08.06.2012. The admissions made by letter dated 08.06.2012 have a material bearing on the stand of the appellants in the subject suit. The fact that the respondents did not mention about the letter dated 08.06.2012 in the plaint, in our view, amounts to a clear case of misrepresentation and concealment of material facts that have a bearing on the very case set up by the respondents in the plaint.

17. The learned Single Judge while considering the withdrawal letter dated 15.04.2014 has erred in not appreciating that the same was concealment of a material fact having bearing on the case of the respondent/plaintiff. The mere fact that the appellants themselves have applied for registration of its trademark does not, in any manner, help the case of the respondents. What is material is the stand taken by the respondents in the plaint and in other proceedings and not the conduct of the appellants/defendants. A party who approaches the Court for grant of a discretionary relief has to approach the Court with clean hands. The respondents clearly did not do so.

18. We are of the view that the interim injunction is liable to be vacated in view of various factors. First of all, the respondents themselves have taken a categorical stand that the word „SHRI RAM is the name of a popular figure and deity in Hinduism and no one proprietor can claim exclusive rights on the mark „SHRI RAM . Secondly, their stand that the mark „SHRI RAM is common to trade and several „SHRI RAM formulative marks are peacefully co-existing on the register of trademark. Thirdly, the appellants have prima facie shown that there were several schools in existence using the name „SHRI RAM in existence even prior to the adoption of the mark by the respondents. Fourthly, the respondents are guilty of concealment and misrepresentation and, lastly, discretion should not be exercised in favour, of a person who approaches the court with unclean hands."

(Emphasis supplied) Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037

30. In Mankind Pharma Ltd. v. Chandra Mani Tiwari & Anr., 2018 SCC OnLine Del 9678, this Court held as under:

"9. Having pondered over the respective pleadings and contentions, I am unable to find the plaintiff entitled to any interim relief. The reasons thereof are given herein below:

xxxxx C. The aforesaid stand of the plaintiff before the Registrar of Trade Marks, was/is relevant for the purpose of grant of interim injunction. Though the senior counsel for the plaintiff contended that what is stated by the advocates for the plaintiff in the aforesaid communications is a submission of law made in the context and the plaintiff cannot be bound thereby, but it cannot be said that the said contention makes the fact aforesaid „not relevant . The fact, that the plaintiff took a stand, not so long back, that (i) „ATORVAKIND is different from „ATORKIND and that (ii) „STARKIND is different from „KINDERPLEX , „KINDERBON , „KINDERCAL , „KINDIGEST , „STAR-VIT , „STAR , „STARNET , „STARCET , „KINDHEALTH , „KIND-PLUS , „KINDCAL , „KINDMAX and „KINDFLOX-OZ , certainly has a weightage for purposes of interim injunction, specially ex-parte. The plaintiff, while approaching this Court for ex parte relief against the defendants, concealed the said relevant fact from this Court and called upon the Court to, without the said fact being before the Court, grant injunction against the defendant. Such conduct of the plaintiff disentitles the plaintiff to the equitable relief, at least at this stage. I must however state that thought has indeed crossed my mind, whether in defence to a claim for infringement, which is a statutory right of a registered proprietor of a trade mark, the plea of estoppel, which is not available against statute, is at all available to the defendants."

31. In Poly Medicure Limited v. Polybond India Pvt. Ltd., 2019 SCC OnLine Del 11967, this Court reiterated that the stand of the plaintiff in Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 its reply to the Examination Report, at least at the stage of consideration of the relief of ad-interim injunction, is relevant, and the plaintiff, when approaching the Court, has to make a clean breast of the state of affairs and ought to have informed the Court so on the very first date when the suit comes up before this Court alongwith the application for interim relief, including ex-parte relief against the defendant, to enable the Court to consider the grant/non-grant of ex-parte relief, in the light of all facts.

32. The reply given by the predecessor-in-interest of the plaintiff to the Examination Report was, therefore, a material document and though may or may not act as an estoppel, would certainly be relevant to be considered while determining the prayer of the plaintiff for grant of an ad-interim ex-parte relief based on the registration granted. In the case of Teleecare Network India Pvt. Ltd.

(supra), there was no concealment of material facts, therefore, the judgment is of no assistance to the plaintiff.

33. The grant of an ad-interim injunction is a discretionary relief. In K.D. Sharma (supra), the Supreme Court emphasized the necessity of the petitioner (herein, the plaintiff) approaching the Court with clean hands, putting forward all the facts before the Court, without concealing or suppressing anything. It was further emphasized that if there is no candid disclosure of relevant and material facts, the petition (herein, the application) may be dismissed at the threshold, without considering the merits of the claim. The said principle was reiterated by the Supreme Court in Ramjas Foundation (supra) and Amar Singh (supra). In fact, such concealment is sufficient to vacate the ad-interim ex-parte order of injunction granted in favour of the plaintiff. Reference in this regard may be made to the judgments of this Court in Kent RO System (supra), Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 Columbia Sportswear Company (supra), Micolube India Ltd. (supra) and the order of this Court dated 20.10.2022 in Phonographic Performance Limited (supra).

34. I also find merit in the submission of the learned senior counsel for the defendant that the mark of the plaintiff is descriptive in nature. The plaintiff has itself stated in its application under Sections 124 and 125 of the Act, being I.A. No. 14991 of 2022, that the word 'ZEST' has a dictionary meaning, that is, 'feeling of enjoyment, excitement and enthusiasm'. The medicinal preparation of the plaintiff is intended for treating erectile dysfunction in men. Therefore, clearly, the mark is descriptive to its product, being a combination of the words 'FOR' and 'ZEST'. The plaintiff has further asserted in its replication, as also in I.A. No.14991 of 2022, that the word 'ZEST' is publici juris, and no person can claim exclusivity over the same. On this assertion itself, the claim of exclusivity of the plaintiff on its mark relying on the registration thereof should ideally fail. The descriptive nature of the mark need not only be because of its adoption from the name of its ingredient but may even be because of its inherent nature and use.

35. Having considered the above, and inspite of the above, in the present case, prima facie, the mark of the plaintiff, that is 'FORZEST', is deceptively similar to the mark of the defendant, that is 'FOLZEST'; with the only difference being in the alphabet 'R' being replaced in the mark of the defendant by the alphabet 'L'. In considering the relief prayed for by the plaintiff, it is also important to note that the medicine of the plaintiff is for treating erectile dysfunction in men, while the medicinal preparation of the defendant is a multivitamin for pregnant Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 women for lowering the risk of pre-term births. In Cadila Health Care Ltd. (supra), the Supreme Court held as under:-

"32. Public interest would support lesser degree of proof showing confusing similarity in the case of trade mark in respect of medicinal products as against other non-medicinal products. Drugs are poisons, not sweets. Confusion between medicinal products may, therefore, be life threatening, not merely inconvenient. Noting the frailty of human nature and the pressures placed by society on doctors, there should be as many clear indicators as possible to distinguish two medicinal

products from each other. It is not uncommon that in hospitals, drugs can be requested verbally and/or under critical/pressure situations. Many patients may be elderly, infirm or illiterate. They may not be in a position to differentiate between the medicine prescribed and bought which is ultimately handed over to them. This view finds support from McCarthy on Trade Marks, 3rd Edn., para 23.12 of which reads as under:

"The tests of confusing similarity are modified when the goods involved are medicinal products. Confusion of source or product between medicinal products may produce physically harmful results to purchasers and greater protection is required than in the ordinary case. If the goods involved are medicinal products each with different effects and designed for even subtly different uses, confusion among the products caused by similar marks could have disastrous effects. For these reasons, it is proper to require a lesser quantum of proof of confusing similarity for drugs and medicinal preparations. The same standard has been applied to medical products such as surgical sutures and clavicle splints."

Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037

33. However, the appellants are right in contending that where medicinal products are involved, the test to be applied for adjudging the violation of trade mark law may not be on a par with cases involving non-medicinal products. A stricter approach should be adopted while applying the test to judge the possibility of confusion of one medicinal product for another by the consumer. While confusion in the case of non-medicinal products may only cause economic loss to the plaintiff, confusion between the two medicinal products may have disastrous effects on health and in some cases life itself. Stringent measures should be adopted specially where medicines are the medicines of last resort as any confusion in such medicines may be fatal or could have disastrous effects. The confusion as to the identity of the product itself could have dire effects on the public health."

36. In Novartis AG (supra), this Court reiterated the above principles as under:-

"21. I do not accept the submission of the learned counsel for the defendant as I feel that it is more dangerous if the pharmaceuticals products bearing the same mark is used for different purposes for the same ailment or even otherwise. I also do not accept the contention of the defendant's counsel that there would be no confusion if the product contain different ingredients/different salt. In my opinion, it is more dangerous and harmful in the trade if the same trade mark is used for different ailments...."

37. In a medicinal good, the right of not only the private litigants but also public interest has to be kept in mind, and, in fact, be given prominence. Even a remote chance of deception or confusion

arising because of similarity in the marks is to be avoided and prevented, as it Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 may led to disastrous consequences for unwary consumers. Therefore, in spite of the concealment and misstatement of the plaintiff, the plaintiff shall be entitled to an ad-interim relief if the marks of the medicinal goods are deceptively similar to each other.

38. The plaintiff, apart from relying upon the registration of its trade mark 'FORZEST' under the application no. 1171650 dated 04.02.2003 in Class 05, has also contended that the said mark has been used since the year 2003. The plaintiff has given the figures of sales for the medicinal product sold under the said mark for the financial years 2004-05 to 2020- 21, asserting that such sales have grown from Rs.95.31 Lakh (Rupees Ninety-Five Lakh Thirty-One Thousand only) in the financial year 2004- 05 to Rs.187.53 Lakh (Rupees One Hundred Eighty-Seven Lakh Thirty- Three Thousand only) in the financial year 2020-21. The plaintiff has further asserted that the defendant applied for the registration of its mark 'FOLZEST' under application no. 4624943 dated 25.08.2020 claiming the same is still „proposed to be used in Class 05. The plaintiff submits that it is only in the second week of May, 2022 that the plaintiff came across the defendant's products being sold online on various e- pharmacies/interactive websites.

39. In the written statement, the defendant does not deny the above assertions of the plaintiff but merely relies upon its earlier registered marks having 'ZEST' as a predominant feature. Pertinently, the defendant has not filed any counter-claim against the plaintiff. In McCarthy on Trademarks and Unfair Competition (supra), the celebrated author explains that a trade mark owner may use a plurality of marks with a common prefix, suffix or syllable. It has the opportunity to Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 establish that it has a 'family of marks' and may rely upon the same for contending that the defendant's mark, which incorporates the 'family of marks', is deceptively similar to that of the plaintiff's. However, the text very explicitly states that the doctrine of 'family of marks' is an argument available only to a plaintiff asserting its rights, not to a defendant to prove its defence against a plaintiff's intervening rights.

40. In my opinion, the above text is based on the principal that where the plaintiff has, in spite of the defendant having a 'family of marks', established goodwill in a mark that may even be forming a part of the „family of the marks of the defendant, the defendant cannot later adopt a mark deceptively similar to the that of the plaintiff, relying upon its „family of marks.

41. In the present case, the defendant has asserted that it is selling more than sixty-five different products. Out of these, eighteen are claimed to have 'ZEST' as a predominant feature of the mark/name of the medicinal goods. Certain pending applications also bearing 'ZEST' as a predominant part of the mark are stated in the written statement filed by the defendant. The defendant, however, by that assertion alone cannot claim a right to adopt a deceptively similar mark to that of the plaintiff, especially where the mark of the plaintiff has been in long use. The defendant would have to prove exclusivity over the mark 'ZEST' in all its variants to succeed in its defence.

42. The fact remains that the plaintiff has been using the mark 'FORZEST' since the year 2003, while the defendant has not even stated the date of launch of its medicinal good under the impugned mark 'FOLZEST' and, therefore, the assertion of the plaintiff that it is only in Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 the first week of May, 2022 that it came across the medicine of the defendant with the impugned mark, remains unrebutted, at least, at this stage. I may herein note that the Local Commissioner appointed by this Court vide order dated 19.05.2022, had seized certain data, which shows the medicine under the mark 'FOLZEST' being marketed by the defendant from sometime in June, 2021, however, even that would make the defendant a subsequent user and adopter of the said mark. A right of a prior user of the mark shall always prevail. [Ref: Neon Laboratories Ltd v. Medical Technologies Ltd., (2016) 2 SCC 672]

43. The defendant has also contended that there is no possibility of confusion being caused on account of the packaging of the two medicinal products being different. The same assertion, however, again does not impress me. The medicines are sold by their trade mark/trade name which, in the present case, I have found prima facie to be deceptively similar to each other. For an unwary consumer with average intelligence and imperfect recollection, the differences that are sought to be highlighted by the defendant in its application under Order XXXIX Rule 4 read with Section 151 of the CPC cannot nullify the possibility of confusion.

44. Applying the above principles to the facts of the present case, the following factors would still persuade me to grant an ad-interim injunction in favour of the plaintiff and against the defendant:

(a) The plaintiff, through its predecessor-in-interest, has been the registered proprietor of the mark 'FORZEST' since the year 2003. Though such registration is suspect, at least at this stage, it is worthy of weight;

Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037

(b) The said mark has been used by the plaintiff/its predecessor-in-interest since the year 2003 and has substantial sales;

(c) Though the defendant has a 'ZEST' Family of Marks, it has started the use of the impugned mark 'FOLZEST' in June, 2021/May, 2022 only;

(d) The use of the medicine of the plaintiff and the defendant are different;

(e) Whether the defendant can claim exclusivity to all marks containing the word 'ZEST', can be determined only on the parties leading evidence; and,

(f) The two marks are deceptively similar and any confusion in the same can lead to disastrous consequences.

45. In view of the above, the ad-interim ex-parte order of injunction dated 19.05.2022 shall stand confirmed during the pendency of the present Suit. I.A. No.7825 of 2022 of the plaintiff filed under Order XXXIX Rules 1 and 2 read with Section 151 of the CPC is allowed; while I.A. No.9523 of 2022 filed by the defendant under Order XXXIX Rule 4 read with Section 151 of the CPC is dismissed.

46. It is clarified that the above are only prima facie findings of this Court, which shall not bind or influence this Court while considering the merits of the suit after evidence has been led by the parties.

47. At the same time, the plaintiff cannot be allowed to escape the consequences of having concealed material facts from this Court to obtain an ex-parte order of injunction. Whether with the disclosure of the above-mentioned material facts, the Court would have still granted the Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 ad-interim ex-parte order of injunction or not, is not relevant and cannot absolve the plaintiff from the consequences of not making such disclosure of material facts. Such a practice not only has to be deprecated but must also be penalised. The plaintiff, therefore, is saddled with costs of Rs.10 Lakh (Rupees Ten Lakh only) to be deposited with the Delhi High Court Legal Services Committee within a period of two weeks from the date of the judgment.

48. The applications are disposed of in the above terms.

I.A. 13279/2022 (U/s 124(1)(b)(ii) read with Section 125 of the Trade Marks Act, 1999 read with Section 151 of the Code of Civil Procedure, 1908)

49. This application has been filed by the defendant seeking permission of this Court to file a cancellation petition qua the plaintiff's trade mark 'FORZEST' bearing application no.1171650 in Class 05.

50. I have already considered hereinabove the submissions of the learned senior counsel for the defendant in support of this application, and I find prima facie merit in the challenge, also on the ground that the defendant has prior registrations in the 'ZEST' Family of Marks, the details whereof have been given by the defendant in the application. The defendant has also contended that it is the prior adopter of these marks.

51. Accordingly, an issue on validity of the registration granted in favour of its mark 'FORZEST' in Class 05 vide application no.1171650 is raised and is framed as under:-

(i) Whether the registration of the mark 'FORZEST' in Class 05 granted in favour of the plaintiff under application no. 1171650 is liable to be cancelled? OPD Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037

52. The further proceedings in the present suit are adjourned for a period of three months to enable the defendant to apply for rectification/cancellation of the registration of the trade mark 'FORZEST'

bearing registration no.1171650 in Class 05 of the plaintiff.

I.A. 14991/2022 (U/s 124 and 125 of the Trade Marks Act, 1999 read with Section 151 of the Code of Civil Procedure, 1908)

53. This is an application filed by the plaintiff seeking permission of this Court to file a cancellation petition qua the defendant's trade mark 'ZEST', registered under application no. 4066398 in Class 05.

54. As noted hereinabove, it is the contention of the plaintiff that the mark 'ZEST' is being used by various third parties, either as a suffix or a prefix, and is publici juris. It also has a dictionary meaning and, therefore, cannot be monopolized by any party.

55. I may herein note that the trade mark 'ZEST' of the defendant has been registered since the year 1983. It is further the assertion of the defendant, which has also not been denied by the plaintiff, that this mark was cited by the defendant in opposition to the applications filed by the plaintiff seeking the registration of its marks 'EXEZEST' and 'TRIOLMEZEST'. The plaintiff, at that stage, did not choose to challenge the registration granted in favour of the defendant for the mark 'ZEST'. At least, this has not been pleaded by the plaintiff in the Suit or in this application. There was, therefore, clearly a case of acquiescence in such registration.

56. In fact, the plaintiff has itself sought and obtained registrations and relied upon a mark of which the word 'ZEST' forms a part. Having itself Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57 Neutral Citation Number: 2022/DHC/005037 applied for and obtained registration in a 'ZEST' formative trade mark, it does not lie in the mouth of the plaintiff to state that the word 'ZEST' is a publici juris expression or is otherwise generic. Reference in this regard may be made to the judgments of this Court in Automatic Electric Limited v. R.K. Dhawan and Ors., 1999 SCC OnLine Del 27; and in Anchor Health and Beauty Care Pvt. Ltd. v. Procter & Gamble Manufacturing (Tianjin) Co. Ltd. &Ors., 2014 SCC OnLine Del 2968.

57. In view of the above, I find no merit in the present application. The same is dismissed.

CS(COMM) 328/2022

58. List before the learned Joint Registrar (Judicial) for further proceedings on 19th January, 2023.

NAVIN CHAWLA, J.

NOVEMBER 22, 2022/s/AB Signature Not Verified CS(COMM) 328/2022 NEGI Signing Date:22.11.2022 18:13:57