



2024 : DHC : 4432



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

% **Reserved on: 26th April, 2024**

Pronounced on: 28th May, 2024

+ **CS(COMM) 86/2024 & I.A. 2686/2024**

MACLEODS PHARMACEUTICALS LTD. Plaintiff

Through: Mr. Chander M. Lall, Senior Advocate
with Ms. Archana Sahadeva, Mr.
Siddharth Raj Chaudhary, Mr. Harshit
Bhoi, Mr. Abhinav Bhalla and Ms.
Yashi Agrawal, Advocates.

versus

ALKEM LABORATORIES LTD. & ANR. Defendants

Through: Mr. Sandeep Sethi, Senior Advocate
with Mr. Sagar Chandra, Ms. Ishani
Chandra, Ms. Srijan Uppal, Ms.
Mehek Dua, Ms. K. Natasha, Mr.
Sanket Singh Sengar, Advocates for D-
1.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J.

I.A. 2177/2024 (under Order XXXIX Rule 1 & 2 CPC)

1. This application under Order XXXIX Rule 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter referred to as “CPC”) filed as part of the



accompanying suit by which the plaintiff seeks a decree of permanent injunction restraining defendants and all those acting for, and on their behalf, from manufacturing, selling, promoting their pharmaceutical product under the impugned trademark 'ALSITA' or any other mark which is identical or deceptively similar to plaintiff's trademark 'ALRISTA' and other attendant relief under *inter alia* Sections 27 and 29 of the Trademarks Act, 1999 (hereinafter referred to as "**the Act**").

2. Plaintiff and defendant No.1 are both Indian incorporated companies with their registered office in Mumbai. Both companies are engaged in the manufacturing and selling of pharmaceutical products. While the plaintiff uses the brand 'ALRISTA' for formulation containing 'EPALRESTAT', the defendant uses the mark 'ALSITA' for formulation comprising 'SITAGLIPTIN'. 'EPALRESTAT' is used in the treatment of symptoms like burning pain and numbness seen in people with diabetic nerve disease (neuropathy), while 'SITAGLIPTIN' is used in treating Type 2 diabetes.

3. Plaintiff claims adoption of the mark 'ALRISTA' since 2007, applied for registration under application No.1585338, in Class 5, on 30th July, 2007 but due to oppositions by two companies *Novartis AG* and *Arysta Life Science Corporation*, the registration has not crystallized as yet.

4. Defendant claims to have adopted the mark since 2021, applied for registration vide application No.4969725 on 10th May, 2021 and the registration was granted on 31st October, 2021, after being advertised in the



Trade Marks Journal on 14th June, 2021. The comparison of the marks and the manner in which they are used on products are set out as under:

	PLAINTIFF'S PRODUCTS	DEFENDANTS' PRODUCTS
Trade Marks	ALRISTA	ALSITA
Packaging		
		
Formulation	Epalrestat	Sitagliptin
Indication	To treat diabetic nerve pain	To treat type 2 diabetes mellitus

5. Plaintiff claims sales turnover of about Rs.2.53 Crores in the year 2023-2024, whereas the defendant claims a turnover of about Rs.2.52 Crores for the same year. Promotional expenditure for 'ALRISTA' by the plaintiff is about Rs.1 Crore from the year 2007 till December 2023, while defendant's promotional expenses have been about Rs.1.1 Crores for the year 2022 till February 2024.



6. Plaintiff claims that they came across defendant's products in October 2023 and pursuant to an investigation came across the trademark application of defendant, filed on a proposed to be used basis, in Class 5. A legal notice was issued on 16th October, 2023 to which the defendant replied on 18th October, 2023 and 08th November, 2023 with a brief response, and thereafter a detailed response on 22nd December, 2023.

7. The kernel of plaintiff's claim is that both products are medicinal and intended for treating different ailments, however, to the same patient population, and are "*capable of being co-prescribed*". While 'ALRISTA' of the plaintiff belongs to a group of medicines which is to relieve nerve pain including diabetic nerve disease, defendant's product is used in treating Type 2 diabetes. It is, therefore, submitted that the patient base for both the medicines is the same i.e. *people suffering from diabetes* who would be using these formulations and, therefore, deceptive similarity between the two competing marks would have a debilitating health effect. Plaintiff claims that they are prior users since 2007, defendant's adoption is dishonest and attempts to ride on the goodwill and reputation earned by the plaintiff. Notwithstanding, that the plaintiff's mark is not registered, they have a common law right in passing off, and the products of the plaintiff and the defendant are sold through the same trade channels.

8. Defendant's essential response is that the marks are not phonetically, visually or structurally similar; trade dresses used by parties are totally different, and, in any event, there is added matter to the defendant's mark which



would not cause any confusion. Besides, these are prescribed medicines and both the doctor and pharmacist would be aware of what they are prescribing and dispensing.

9. Defendant claims a right in their registration and an honest and *bona fide* adoption of the mark 'ALSITA' being a combination of their house name 'ALKEM' while 'SITA' is adopted from the Active Pharmaceutical Ingredient (API) being 'Sitagliptin Phosphate'. The coining of the word was based on a common practice in the pharmaceutical industry.

10. The said mark was not opposed by the plaintiff despite being advertised in the TM Journal in 2021. Defendant has continued to use the said mark without any interruption and has developed a vast goodwill and reputation in the said mark. Further, the suffix 'SITA'/'ITA' are *publici juris* and common to the trademark register – several entities (about 60) are using marks with 'SITA' as a suffix/prefix in the course of trade having the composition 'SITAGLIPTIN' including but not limited to 'AZSITA', 'ACSITA', 'ELISITA', 'EMSITA', 'EZISITA'.

11. Moreover, plaintiff was also using the mark 'MACSITA' for its product containing '*Sitagliptin*' and '*Metformin*', which would presumably derive from their house mark 'MACLEODS' and 'SITA' from '*Sitagliptin Phosphate*'.

12. The plaintiff, therefore, could not have any quarrel with this formulation by the defendant. Moreover, defendant pointed out that there are several trademarks with the suffix 'ISTA' in Class 5 on the trademark register



(approximately 464, out of which 226 are registered). Accordingly, suffix 'ISTA' was also *publici juris*, common to the register, and plaintiff could not claim any independent rights over the same.

13. Though, the plaintiff claimed that they had coined 'ALRISTA' as a unique word, it was quite obvious that the name was derived from the salt 'EPALRESTAT'.

14. Defendant's counsel also pointed out various marks that were using the suffix 'ISTA' which are commercially sold and advertised for sale including but not limited to 'FISTA', 'ALISTA', 'CRISTA', 'GLISTA', 'MVISTA', 'AZIVISTA'. Out of these, 'ALISTA' was registered prior to the plaintiff's use applied for on 03rd September, 2003 with a user date of 11th April, 2002.

15. There were several trademarks also with the prefix 'AL' in Class 5 (*approximately 11,212 trademarks, out of which 4809 were registered*). Several products bearing the marks with prefix 'AL' were being commercially sold and advertised including but not limited to 'ALMITA', 'ALISTA', 'ALRISH', 'ALCYSTA', 'ALVISTAT', 'ALRIZA', 'ALZITAZ'. There were also several trademarks with prefix 'AL' and suffix 'TA' in Class 5 (*approximately 115, out of which 59 were registered*). Several products bearing the prefix 'AL' and suffix 'STA' were being commercially sold and advertised including but not limited to 'ALOTA', 'ALISTA', 'ALCYSTA', 'ALFA BETA', 'ALOEVITA', 'ALPHANTA', 'ALPHAVITA', 'ALACTA PLUS'.



16. Defendant's counsel underscored that defendant's marks for various products had the prefix 'AL' because it is the abbreviation of the company name 'ALKEM', and which were tabulated as under:

S. No.	Mark & Application No.	Date of Application & User Claim	Class & Description of Goods	Status	Condition/ Disclaimer/ Associated Trademarks
1.	ALEVO 960559	Date of Application: 03/10/2000 User Claim: Proposed to be used	[Class : 5] Medicinal And Pharmaceutical Preparations And Substances.	Registered	
2.	ALPROVIT 416476	Date of Application: 21/01/1984 User Claim: 01/01/1976	[Class : 5] Medicinal, Infant'S And Invalids Food And Dietetic Foods And Preparations, Medicinal Preparations And Substances.	Registered	
3.	ALTRAZ 602829	Date of Application: 29/07/1993 User Claim: Proposed to be used	[Class : 5] Medicinal Including Ayurvedic, Pharmaceutical, And Veterinary Preparations And Substances.	Registered	
4.	ALTAXEL 1388865	Date of Application: 03/10/2005 User Claim:	[Class : 5] Medicinal, Pharmaceutical And Ayurvedic Preparations	Registered	



		16/08/2002	And Substances, Included In Class 5.		
5.	ALRUBICIN 1184027	Date of Application: 20/03/2003 User Claim: Proposed to be used	[Class : 5] Medicinal & Pharmaceutical Preparations & Substances.	Registered	
6.	ALKEPROST 3127793	Date of Application: 16/12/2015 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements	Registered	Associated Trademarks: 527403
7.	ALTANIB NOVA 3074922	Date of Application: 12/10/2015 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements	Registered	Associated Trademarks: 1204400, 2210273
8.	ALKEPIN ODT 3157401	Date of Application: 12/01/2016 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances	Registered	



			Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements.		
9.	ALMETFOR 1867128	Date of Application: 25/09/2009 User Claim: Proposed to be used	[Class : 5] "Medicinal, Pharmaceutical And Ayurvedic Preparations And Substances"	Registered	
10	ALSCAB 5189921	Date of Application: 27/10/2021 User Claim: 31/10/2008	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements	Registered	
11	ALKASULF 4716001	Date of Application: 23/10/2020 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Herbal Medicines, Dietetic Food And Substances Adapted For Medical Use,	Registered	




			Dietary Supplements For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements		
12	ALKEMDERM 5355408	Date of Application: 04/03/2022 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements	Registered	Associated Trademarks: 291228, 501302, 1055061
13	ALKEMSERT 5150198	Date of Application: 27/09/2021 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements	Registered	



			For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements		
14	ALKEM DEXA 4769552	Date of Application: 05/12/2020 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Herbal Medicines, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements	Registered	
15	ALPIPTAKEM -TZ 5251330	Date of Application: 17/12/2021 User Claim: Proposed to be used	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements	Registered	



			For Humans, Nutritional Supplements, Nutraceutical Preparations For Therapeutic Or Medical Purposes, Nutraceuticals For Use As Dietary Supplements, Pharmaceutical Preparations For Inhalers, Nicotine Inhalers For Medical Purposes		
16	ALCONIB 1278012	Date of Application: 12/04/2004 User Claim: Proposed to be used	[Class : 5] Medicinal And Pharmaceutical Preparations And Substances Included In Class 5.	Registered	
17	ALDIGESIC 873506	Date of Application: 27/08/1999 User Claim: Proposed to be used	[Class : 5] Medicinal And Pharmaceutical Preparations And Substances.	Registered	
18	ALKOF 873508	Date of Application: 27/08/1999 User Claim: Proposed to be used	[Class : 5] Medicinal And Pharmaceutical Preparations And Substances Included In Class 05.	Registered	
19	 1107354	Date of Application: 27/05/2002 User Claim: Proposed to be used	[Class : 5] Medicinal & Pharmaceutical Preparations & Substances.	Registered	Associated Trademarks: 1107354, 1939317
20	ALCIFLOX 1786264	Date of Application: 17/02/2009 User Claim:	[Class : 5] Medicinal, Pharmaceutical And Ayurvedic Preparations	Registered	



		30/11/2007	And Substances		
21	ALDRYL 3353898	Date of Application: 02/09/2016 User Claim: 01/06/2003	[Class : 5] Pharmaceutical, Medicinal And Ayurvedic Preparations And Substances, Dietetic Food And Substances Adapted For Medical Use, Dietary Supplements For Humans, Nutritional Supplements	Registered	Associated Trademarks: 1105423, 1681859

17. Defendant also pointed out that plaintiff had conveniently suppressed the oppositions that were filed to their application for registration, by *Novartis* and *Arysta* and had not disclosed any details of the same or filed any documents.

18. A case for passing off was not made out, as per defendant since the marks were totally different, there was no deception or misrepresentation and the plaintiff's sales figures were minuscule for the last ten years as opposed to that of the defendant. Moreover, the balance of convenience was not in favour of the plaintiff considering the defendant had launched their product two years back and had achieved considerable sales and reputation in the same.

19. It was noted that the patent for 'SITAGLIPTIN' had expired only in July 2022 and defendant could not have sold prior to that time. Plaintiff stated that the validity of the defendant's trademark was challenged by the plaintiff having been granted in violation of Section 11 of the Act. It was further stated that registration of a trademark was not a defence to passing off and a prior user of



the mark can maintain an action against any subsequent user under Section 27(2) of the Act. Section 31 of the Act was not immune to the overriding effect of Section 27(2) of the Act. Plaintiff highlighted the visual, structural and phonetic similarity between the two marks is to be viewed from the perspective of average consumer with imperfect recollection.

20. As regards commonly used suffixes ‘SITA’/ ‘ITA’/ ‘ISTA’, plaintiff was not claiming any exclusivity in the same and submitted that the marks have to be viewed as a whole. Moreover, the scrutiny of trademarks in pharmaceutical and medicinal products is to be dealt with strictly considering the gravity of medical/health issues. Plaintiff, therefore, claimed that even if there were 5% extra sales due to the deceptive similarity, the Supreme Court in *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd*, 2001 SCC Online SC 578 had held that there should be no confusion between pharmaceutical products. The use of the impugned mark by defendant would result in *tarnishment* or *blurring* the distinctive link between the plaintiff and their products and, therefore, plaintiff claimed balance of convenience in favour of themselves.

Analysis

21. Having assessed the submissions of the counsel, perused the pleadings and documents on record, it may be useful first to appreciate the case law cited:

(i) The principal guidelines that apply when comparing marks, related to pharmaceuticals, are enunciated by the Supreme Court in *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd* (*supra*). The Court endorsed the previous



decisions of the Courts in relation to passing off and stated that what has to be seen is the similarity between competing marks and whether there is a likelihood of confusion or deception. In respect of phonetic similarity, the Court observed:

"19. With respect, we are unable to agree that the principle of phonetic similarity has to be jettisoned when the manner in which the competing words are written is different and the conclusion so arrived at is clearly to the binding precedent of this court in Amrithdara case where the phonetic similarity was applied by judging the two competing marks."

(emphasis added)

(ii) The Supreme Court prescribed a higher standard to be applied to medicinal products and relied on these two extracts from the American decision in *Glenwood Laboratories, Inc. v. American Home Products Corp.*, 173 USPQ 19 (1972) 455 F. Reports 2d, 1384 (1972):

*"23. In the case of Glenwood Laboratories, Inc v. American Home Products Corpn. The court of the United States held that:
The fact that confusion as to prescription drugs could produce harm in contrast to confusion with respect to non-medicinal products is an additional consideration for the Board stated: 'The products of the parties are medicinal and the applicant's product is contraindicated for the disease for which the opposer's product is indicated. It is apparent that confusion or mistake in filling a prescription for either product could produce harmful effects. Under such circumstances, it is*



necessary for obvious reasons, to avoid confusion or mistake in dispensing of the pharmaceuticals.”

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25. In this regard, reference may usefully be made to the case of *Glenwood Laboratories, Inc v. American Home Products Corpn.* where it was held as under: ‘The products of the parties are medicinal and the applicant’s product is contraindicated for the disease for which the opposer’s product is indicated. It is apparent that confusion or mistake in filling a prescription for either product could produce harmful effects. Under such circumstances, it is necessary for obvious reasons, to avoid confusion or mistake in dispensing of the pharmaceuticals.’

(emphasis added)

(iii) The Court, therefore, highlighted in para 25 and 27 of ***Cadila Health Care*** (supra) as under:

“25. The drugs have a marked difference in the compositions with completely different side effects, the test should be applied strictly as the possibility of harm resulting from any kind of confusion by the consumer can have unpleasant if not disastrous results. The courts need to be particularly vigilant where the defendant’s drug, of which passing off is alleged, is meant for curing the same ailment as the plaintiff’s medicine but the compositions are different. The confusion is more likely in such cases and the incorrect intake of medicine may even result in loss of life or other serious health problems.



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27. As far as the present case is concerned, although both the drugs are sold under prescription but this fact alone is not sufficient to prevent confusion which is otherwise likely to occur. In view of the varying infrastructure for supervision of physicians and pharmacists of medical profession in our country due to linguistic, urban, semi-urban and rural divide across the country and with high degree of possibility of even accidental negligence, strict measures to prevent any confusion arising from similarity of marks among medicines are required to be taken.”

The Court finally underscored the necessity for distinguishing two medicinal products from each other:

“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.”

(emphasis added)

(iv) In a recent judgment by a Division Bench of this Court in ***Glenmark Pharmaceuticals v. Sun Pharma Laboratories Ltd.***, 2024 SCC OnLine Del 2707, the dispute was between the marks 'ISTAMET ' and 'INDAMET'. The Court after traversing previous decisions including ***Cadila*** (supra) observed as under:

“56. The aforesaid principles as propounded clearly point towards a more exacting and stringent test being adopted when an action of infringement or passing-off comes to be laid in respect of drugs. As was pertinently observed by the Supreme Court in Cadila Healthcare, in the case of drugs, the tests to be adopted is that of “exacting judicial scrutiny”. It was further held that the mere fact that the drug was being sold on the basis of a prescription or dispensed by pharmacists would also not constitute a reliable determinant which would dilute the strict view test as articulated by it while attempting to answer the question of possibility of confusion. This the Supreme Court so held bearing in mind the injurious or detrimental possibilities attendant to an inadvertent purchase, sale and consequential consumption of a drug. It also took into consideration the harmful effect that a usage of a drug may have even though the competing products may be meant for curing an identical ailment. Not stopping at this, the Court also found that notwithstanding the pharmaceutical market being regulated by prescriptions and the



dispensation of products being overseen and supervised by trained physicians, those factors would not allay the fears and apprehensions attendant to an incorrect or inappropriate drug being accidentally dispensed.”

(emphasis added)

(v) The Division Bench in ***Glenmark Pharmaceuticals*** (*supra*) extensively relied upon the decision of a Bombay High Court in ***Macleods Pharmaceuticals v. Union of India***, 2023 SCC OnLine Bom 408 where principles were culled out in relation to pharmaceutical products and summarized as under (extracted in para 62 of ***Glenmark Pharmaceuticals***):

“25. The principles which are emerging from the decisions set out hereinabove are summarised in the following manner:

(a) When a particular medicinal or a pharmaceutical product is involved as the impugned trade mark which may deceive the public or cause a confusion with respect to another trademark, it is the Court's primary duty to take utmost care to prevent any such possibility of confusion in the use of trademarks.

(b) Confusion in case of a non-medicinal or a nonpharmaceutical product may only cause economic loss to the person, but on the other hand, a confusion in terms of medicinal or a pharmaceutical product may have disastrous effect on the health. Hence, it is proper to require a lesser quantum of proof of confusing similarity for such products.

(c) The Court may not speculate as to whether there is a probability of confusion between the marks. Mere existence of the slightest probability



of confusion in case of medicinal product marks, requires that the use of such mark be restrained.

(d) *While arriving at a conclusion with respect to the similarity and confusion between medicinal products, the same should be examined from the point of view of an ordinary common man of average intelligence instead of that of a specialised medicinal practitioner. Courts must decide the same from the view point of man with average intelligence considering multiple factors such as the first impression of the mark, salient features of both the products, nature of the commodity, overall similarity and the possibility of the same creating a confusion amongst the public at large.*

(e) The primary duty of the Court is towards the public and the purity of the register. Duty of the Court must always be to protect the public irrespective of what hardship or inconvenience it may cause to a particular party whose trade mark is likely to deceive or cause confusion.

(f) *The following rules of comparison can be culled out from various pronouncement of Court from time to time.*

(i) Meticulous comparison is not the correct way.

(ii) *Mark must be compared as whole.*

(iii) First impression.

(iv) *Prima facie view is not conclusive.*

(v) Structural resemblance.

(vi) *Similarity in idea to be considered.*

(g) *The main object of maintaining trade mark register is that the public should know whose goods they are buying. It is therefore essential that the*



register should not contain the trade mark which is identical by which purchaser may likely to be deceived by thinking that they are buying the goods of a particular company/industry whereas he is buying the goods of another company/industry.

It is necessary to consider the factual aspects of this case in the light of the above principles.”

(vi) The Division Bench in ***Glenmark Pharmaceuticals*** (*supra*) then went on to uphold the *prima facie* evaluation by Single Judge that the marks 'ISTAMET' and 'INDAMET' made the test of structural and phonetic similarity and noted as under:

“63. We are inclined to accept the principles as lucidly culled out in Macleods Pharmaceuticals and where their Lordships propounded the test in respect of drugs to be the “mere existence of the slightest possibility” of confusion. The aforesaid enunciation of the legal position is clearly in accord with the tests laid down by the Supreme Court in Cadilla Healthcare. In our considered opinion, the question of likelihood of confusion in case of competing drugs would have to be answered on a basis distinct from those that we may employ for ordinary consumer products. We would be erring if we were to fail to adopt strict principles of proof when it comes to drugs bearing in mind the need to completely obviate the possibility of an error or mistake. The test of confusing similarity, as McCarthy in his seminal work explains, stands “modified” and spoke of a “lesser quantum of proof” being required when the subject be drugs and medicinal preparations.”



(emphasis added)

22. Applying these above principles and guidelines, to facts of this case (which is also for passing off, the plaintiff mark being yet not registered, while the defendant's is), it is *prima facie* evident that the marks 'ALRISTA' (*of the plaintiff*) and 'ALSITA' (*of the defendant*) are phonetically and structurally similar. Therefore, it cannot be ruled out, that there will no likelihood of confusion between these two products, or no possibility of an error or mistake in dispensing a drug. Considering that these drugs are used for different indications, but both prescribed to a diabetic patient – the plaintiff's 'ALRISTA' for diabetic nerve pain and defendant's 'ALSITA' for Type 2 diabetes, it could result in disastrous consequences for the patient, if the wrong medicine is either prescribed or dispensed. As mentioned in the parameters stated above, mere existence of the slightest probability of confusion in medicinal products requires that the use of the mark is restrained. Contraindications in particular have also been noticed and found in *Cadila (supra)* citing *Glenwood Laboratories (supra)* as noted above in para 21 above.

23. Defendant's submission that there was an honest adoption of the mark 'ALSITA' is *prima facie* acceptable, considering that the defendant has placed on record a host of pharmaceutical products produced by them containing the prefix 'AL' (being an abbreviation of their company's name ALKEM). However, that in itself will not give them immunity from the application of the *Cadila* principles. In this regard, the observation by the Supreme Court in *Laxmikant V. Patel* (2001) SCC OnLine SC 1416:



“8. where there is probability of confusion in business, an injunction will be granted even though the defendant adopted the name innocently.”

24. Adoption by defendant in naming the drug with the prefix 'AL' as an abbreviation of their company's name and the suffix as the accepted *publici juris* 'SITA' abbreviation for 'Sitagliptin', itself puts it within the zone of confusion with plaintiff's mark, which has prior user.

25. The registered trademark holders can be precluded from interfering with the rights of a prior user – this aspect is considered by the Supreme Court in *S. Syed Mohideen v. P. Sulochana Bai*, (2016) 2 SCC 683, where it was noted that - “the rights in passing off were emanating from common law and not from the provisions of the Trade Marks Act and were independent of the rights conferred by the Act and secured under Section 27(2) of the Act as well as Section 34 of the Act”. Also, in *Neon Laboratories Ltd. v. Medical Technologies Ltd.*, (2016) 2 SCC 672, where the Court held that “the first in the market test has always enjoyed pre-eminence” and cited with the approval the decision in *S. Syed Mohideen (supra)*.

26. On the issue of balance of convenience, it is to be noted that while plaintiff has been in the market since 2007, defendant commenced sales of the products only since 2022, even though, the mark was adopted in 2021. The turnover of plaintiff, since their launch, was in the range of Rs.34 Crores, while



defendant's turnover for the year 2022-2023 is in the range of Rs.2.97 Crores. Balance of convenience is, therefore, in favour of the plaintiff.

27. Defendant's argument relating to other pharmaceutical products with the prefix 'AL' suffix 'SITA' and 'ISTA' may not be of relevance, considering that dissection of the marks is prohibited under the *anti-dissection rule*, and it assumes even greater importance in the category of a pharmaceutical product, applying the *Cadila* principles. The *anti-dissection rule* was prominently discussed in *South India Beverages v. General Mills Marketing* 2014 SCC OnLine Del 1953; *Vasundhra Jewellers Pvt. Ltd. v. Kirat Vinodbhai Jadvani & Anr.* 2022 SCC OnLine Del 3370; while the principles on comparison of a mark as a whole have been famously articulated in *Kaviraj Pandit Durga Dutt Sharma vs. Navaratna Pharmaceuticals Laboratories*, 1964 SCC OnLine SC 14, by the Hon'ble Supreme Court.

28. Defendant's arguments focused around the use of naming the drug based on the active chemical compound as per *Schering Corporation & Ors. v. Alkem Laboratories Ltd.*, 2009 SCC OnLine Del 3886; and the use of terms *publici juris* would trigger consumers to pay more attention to the uncommon features (relying on *Astrazeneca UK Ltd. & Anr. v. Orchid Chemicals & Pharmaceuticals Ltd.*, 2007 SCC OnLine Del 237, and *F-Hoffman La-Roche & Co. Ltd. v. Geoffrey Manners & Co. Pvt. Ltd.*, (1969) 2 Supreme Court Cases 716), may not be so determinative, considering that the overall marks have been considered, which are structurally and phonetically similar, prescribed for different purposes for a diabetic patient. Therefore, the Court is



of the opinion, that there is a strong likelihood of confusion and possible health damage, if the defendant continues use of their mark, even though it is not dishonestly adopted by the defendant.

29. Needless to state these are *prima facie* observations, based on an initial assessment and the matter would have to ultimately proceed towards trial.

Conclusion

30. In these circumstances, the Order XXXIX Rules 1 and 2 CPC application of the plaintiff is allowed in the following terms:

a) Defendant and all those acting for, and on their behalf, are restrained from manufacturing, selling, promoting, advertising, dealing, directly or indirectly, with the mark 'ALSITA' for their pharmaceutical products, or any other mark that is deceptively similar to the plaintiff's mark "ALRISTA";

b) Considering that these are pharmaceutical products and defendant has been selling the impugned product under 'ALSITA' for the last two years, the defendant will be at liberty to dispose their existing stock, by sale or otherwise, within a period of 8 weeks from the date of pronouncement of this judgment; and place details (batch no, value, packaging dates etc.) by affidavit, of such existing stock, within a period of 2 weeks from the date of pronouncement of this judgment.

31. Application stands disposed of with the abovesaid directions.



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32. Judgment/Order be uploaded on the website of this Court.

**(ANISH DAYAL)
JUDGE**

MAY 28, 2024/MK