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

+ **CS(COMM) 608/2019, CRL.M.A. 10010/2024, I.A. 15286/2019,
I.A. 15287/2019**

CIPLA LIMITED

..... Plaintiff

Through: Mr. Rajiv Nayar, Senior Advocate
with Ms. Tusha Malhotra,
Ms. Yamini Jaswal and Ms. Manjula
Dasgupta, Advocates.

versus

LABORATE PHARMACEUTICALS INDIA LIMITED

..... Defendant

Through: Mr. Chirag Ahluwalia, Advocate.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

% **07.05.2024**

1. The suit was originally filed with respect to Plaintiff's trademark "CIPLADINE, PANTOSEC and OMNILAB".
2. The suit already stands decreed in terms of order dated 1st April, 2022 as regards trademarks "CIPLADINE" and "PANTOSEC."
3. As regards the trademark "OMNIGEL", the Plaintiff's case is that the Defendant's registered mark "OMNILAB",¹ is infringing and its use thereof also amounts to passing off of their mark.
4. On this issue, the matter was referred to Mediation, which unfortunately was not successful. Nonetheless, subsequently, the Defendant on instructions, made a statement that they do not wish to continue the use of



their trademark “OMNILAB” and to that effect, a statement was recorded on 29th February, 2024, to the following effect:

“3. The Court has inquired from the counsel as to the stage of the settlement negotiations, to which, the Defendant’s counsel, on instructions, states that although the mark “OMNILAB” is registered in Defendant’s favour as both a word and device mark, however, with a view to bring this litigation to an end, they are willing to give up the use of the said mark, and are also agreeable for the cancellation of the registrations. In fact, he informs that despite there being no injunction, the Defendant has voluntarily stopped production of the pharmaceutical products under “OMNILAB” mark since 01st April, 2023. Counsel for Defendant further states that insofar as the Plaintiff’s trade dress is concerned, the Defendant is also willing to give an undertaking that any trade dress adopted by them shall not be similar to or be a colourable imitation of the Plaintiff’s trade dress.

4. Let an affidavit enumerating the above averments be filed within a period of two weeks from today. Considering the aforementioned statement, counsel for Plaintiff shall take instructions from their client on further course of action.”

5. The Defendant filed an affidavit on 16th March, 2024 in terms of the above directions. However, as recorded in order dated 18th March, 2024, Plaintiff’s counsel insisted that Defendant must also disclose the details of the existing stock under the impugned mark “OMNILAB”. Accordingly, the Defendant filed another affidavit dated 22nd March, 2024. In both the affidavits, the Defendant has categorically confirmed that they do not wish to continue the use of the Impugned mark “OMNILAB” or its associated labels. The undertaking to that effect is in fact noted in the affidavit dated 16th March, 2024, the relevant portion of which reads as under:

*“15. That I submit that the Defendant is willing to voluntarily suffer a decree in terms mentioned hereinunder:
(a) The Defendant undertakes not to use directly and/or through its through its affiliates/group/family/sister-concerns the mark ‘OMILAB’*

¹ Impugned mark and labels.



and/or

impugned

labels



and



and/or or any other label which is deceptively similar to or colourable imitation of the Plaintiff's labels



and



for its pharmaceutical product. The Defendant further undertakes not to adopt directly and/or through its affiliates/group/family/sister-concerns any trademark either as a word mark or a device mark for its pharmaceutical product which is deceptively similar or near identical to the mark 'OMNIGEL' of the Plaintiff.

(b) The Defendant undertakes to exhaust its reimagining stock of its product OMNILAB, which was manufactured up to March 2023, within a period of six months from the date of the present affidavit and/or any other period of time which this Hon'ble Court may deem fit and just. That the Defendant further undertakes that in case it is not able to completely exhaust its said remaining stock within the stipulated time provided hereinabove or any other time period granted by this Hon'ble Court, the Defendant shall destroy the entire unsold stock of its said product along with its packaging, printed materials, stationery, promotional material, brochures, pamphlets, letter heads, visiting cards, goods, stickers, cartons, dies, blocks, labels, and articles. The Defendant further undertakes to withdraw all of its advertisements and cease all promotional campaigns in respect of its pharmaceutical product 'OMNILAB' within 72 hours from the date of the expiry of the aforesaid stipulated time period or any other time period ' granted by this Hon'ble Court.

(c) The Defendant consents that this Hon'ble Court may order/ direct the office of the Ld. Registrar of Trade Marks, New Delhi to cancel and remove the registered trademarks 'OMNILAB' (word mark) under



Application no. 2317961 in class 5 and OMNILAB (LABEL) under Application no. 2356147 in class 5 of the Defendant from the Register of Trade Marks;”

6. Furthermore, Paragraph no. 4 of the Affidavit dated 22nd March, 2024 records that the Defendant had submitted to the Court that they do “not intend to use its trademark ‘OMNILAB’ in respect of any of its products”. However, in order to remove any ambiguity, Mr. Chirag Ahluwalia, counsel for Defendant, clarifies on instructions that the Defendant shall not use the mark “OMNILAB” or its associated labels,² for ‘any of their products’ including pharmaceuticals.

7. Accordingly, as agreed, the suit is decreed in favour of the Plaintiff and against the Defendant, in terms of the undertakings given by Defendant, in the affidavit dated 16th March, 2024, and 22nd March, 2024 which shall bind the Defendant.

8. In view of the above, the only question that survives for consideration is the time-period to be granted to the Defendant to deplete/exhaust the existing stock of the manufactured goods. Mr. Ahluwalia has requested for a period of six months, however, Mr. Rajiv Nayar, Senior Counsel representing the Plaintiff, states that no time should be given. Further, Mr. Nayar states that the Defendant should immediately bring down the listings of their infringing products from all online or social media platforms.

9. The Defendant’s mark is duly registered, and there is no temporary injunction restraining them from its usage. However, the Defendants have

² Impugned mark and labels



voluntarily agreed to discontinue the use of the Impugned mark and labels and have already ceased manufacturing goods under this mark. They are now only seeking time to exhaust their existing stock, which comprises a relatively small quantity of manufactured goods. In light of the Defendant's proactive decision to phase out the Impugned mark and their intention to resolve the matter amicably without contest, it is considered just and equitable to grant them a three-month period to exhaust their entire stock, as detailed in their affidavit dated 22nd March, 2024. This equitable relief would prevent the wastage of medicines that are otherwise manufactured under valid drug licenses and avoid unnecessary financial loss to the Defendant. It has also weighed with the Court that, despite the absence of any restraint preventing the Defendant from moving the stock freely, they have sought the Court's permission to ensure compliance with the principles of equity. After the expiry of the three-month period, the Defendant shall cease using the Impugned mark and labels in any form whatsoever. Additionally, they shall file an affidavit of compliance, providing full particulars of the remaining stock at the end of the three-month period. Any residual stock must be destroyed in accordance with the law, and no request for an extension of time shall be entertained. Nonetheless, as suggested by Mr. Nayar, the Defendants shall take immediate steps to withdraw all listings of their products bearing the Impugned mark from all online and social media platforms within four days from today.

10. Further, in view of the fact that the Defendant is no longer interested in continuing the use of the trademarks bearing registration nos. 2317961 and 2356147, they have agreed to apply for removal/cancellation of the said marks from the trademark register. The Registrar of Trademarks shall



process the request within fortnight from the date of filing of such applications/request.

11. Mr. Nayar on instructions states that the Plaintiff does not press any other reliefs in the plaint regarding damages, delivery-up, rendition of accounts or costs.

12. The suit is decreed in the above terms. All pending applications are disposed of.

13. Decree sheet be drawn up.

SANJEEV NARULA, J

MAY 7, 2024

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