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

+ **CS(COMM) 983/2025**

MICRO LABS LIMITED

.....Plaintiff

Through: Mr. Hemant Daswani, Ms. Saumya
Bajpai and Ms. Pranjal, Advocates.

versus

PHARMA ROOTS HEALTHCARE & ANR.Defendants

Through: Mr. Siddharth Praveen Acharya, Mr.
Lakshay Sharma and Mr. Princess
Singh, Advocates.

CORAM:

HON'BLE MR. JUSTICE TUSHAR RAO GEDELA

ORDER

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09.02.2026

I.A. 3504/2026 (u/O XXIII Rule 3 of CPC)

1. This is an application under Order XXIII Rule 3 read with Section 151 of the Code of Civil Procedure, 1908 filed jointly on behalf of the plaintiff and defendant nos.1 & 2.
2. Learned counsel for the parties submit that the parties have been able to amicably resolve their disputes and have reduced the terms of settlement into writing, which are incorporated in para 5 of the present application.
3. This Court has perused the terms of settlement and finds them lawful. It appears that the terms of settlement clearly fall within the ambit of Order XXIII Rule 3 CPC, 1908. There is no impediment in case this Court decrees the suit in terms of the settlement arrived at and enumerated in para 5 (a) to (o). The same are extracted hereunder:

“a) Defendant Nos. 1 & 2 acknowledge and recognize that the Plaintiff is the registered proprietor of, inter alia, the trade marks ESOFAG and ESOFAG HCP, under numbers 1203323 and 5143569 in respect of pharmaceutical and medicinal preparations.



b) Defendant Nos. 1 & 2 acknowledge and recognize the common law rights of the Plaintiff in the trade mark ESOFAG and ESOFAG HCP. Furthermore, Defendant Nos. 1 & 2 acknowledge that the Plaintiff has been using the trade marks prior to that of the Defendants and that the Plaintiff has thus acquired common law rights in them by virtue of their long, extensive, continuous, and prior use.

c) Defendant No. 2 undertakes that it has duly filed for withdrawal of trade mark application numbers 6687272, 6687318, 6687319 and 6687320 for the marks ESOV AG, ESOVAG DSR, ESOV AG IT and ESOV AG LSR and print outs of the file wrapper as downloaded from the official website of the Trade Marks Registry reflecting the current status as withdrawn are filed with the list of documents as Document A and agree and undertake not to challenge the ownership of, oppose or file rectification for the trademark ESOFAG or any of its extensions.

d) Defendant No. 1 and Defendant No. 2, agree and undertake that they shall either by themselves or through their directors, partners, proprietors, officers, dealers, distributors, stockiest, agents, associates, employees, servants, and/or assigns and all others acting on their behalf henceforth perpetually refrain from importing, exporting, manufacturing, selling, offering for sale, advertising, marketing, directly or indirectly dealing in medicinal and pharmaceutical preparations under the marks ESOV AG, ESOV AG DSR, ESOV AG IT and ESOV AG LSR or any other trade mark deceptively similar to the Plaintiff's registered trade mark ESOFAG and ESOFAG HCP.

e) Subject to the directions of this Hon'ble Court, Defendant Nos. 1 and 2 are however permitted to sell their stock of finished goods bearing the trademarks ESOVAG, ESOV AG DSR ESOV AG IT and ESOV AG LSR namely medicinal and pharmaceutical preparations seized by the local commissioners during the execution of commission on September 29, 2025 including the stock of goods with the batch numbers are filed with the list of documents which as mentioned in Document B (which includes the relevant batch numbers, box numbers and sale values) within a period of 6 weeks from signing the present settlement agreement, so long as the said finished goods are manufactured prior to September 29, 2025.

f) Defendant Nos. 1 and 2 shall duly destroy all packaging material, labels, cartons, brochures/leaflets, blocks, moulds and other packaging material and unfinished goods bearing the marks ESOV AG, ESOV AG DSR ESOV AG IT and ESOV AG LSR which are lying in their possession as of date, in the presence of a Plaintiff's representative within 7 days of passing of the order of this Hon'ble Court.

g) Defendant Nos. 1 and 2 agree and undertake not to display any goods under the mark ESOV AG or any of its extensions on its website and shall further write to all e-commerce platforms and/or dealers and/or distributors to cease



use and/or de-list the goods on e-commerce platforms under the impugned mark ESOV AG within a period of 6 weeks from signing the present settlement agreement.

h) Defendant No.2 agree and undertakes to pay the following amount to the Plaintiff:

i Local Commissioners' Fee amounting to Rs. 5,00,000/- (Rupees Five Lakhs only);

ii. Expenses incurred in connection with the execution of the commissions, including but not limited to travel, stay, execution, seizure of goods, and miscellaneous expenses, amounting to Rs. 1,06,529/- (Rupees One Lakh Six Thousand Five Hundred and TwentyNine only);

iii. Plaintiff's legal fee, amounting to Rs. 10,10,000/- (Rupees Ten Lakhs Ten Thousand only).

Totalling rounded off to Rs. 16,16,529/- (Rupees Sixteen Lakhs Sixteen Thousand Five Hundred and Twenty-Nine only). The said amount has been paid via RTGS to the Plaintiff's designated bank account on the date of signing this Application. No further costs shall be imposed on the Defendants by the Plaintiff.

i) The parties agree that the terms of the present Settlement Agreement/ Application shall remain confidential qua third parties.

j) The parties hereto confirm and declare that they have voluntarily and of their own respective free will have arrived at this Settlement Agreement and that the same shall be binding on proprietors, partners, officers, directors, employees, servants, agents, relatives, distributors, stockists, subsidiaries, nominees, successors, and assigns and all those acting for and, on their behalf.

k) By signing this Settlement Agreement, the parties hereto state that they have no further claims or demands against each other in relation to the subject matter of the present suit and all the disputes and differences in the present have been amicably settled by the parties hereto.

l) It is agreed between the parties that in case of breach of the above terms on the part of either of the party, the aggrieved party shall be entitled to take appropriate legal recourse as per law, including contempt proceedings.

m) So long as the terms of settlement are not breached, the present settlement is full and final of all the disputes and differences between the parties and all claims, demands, benefits, rights of the Plaintiff against Defendant Nos.1 and 2, including those relating to the claim of damages as demanded in the Plaint and no such claim etc. shall survive with the recording of the present settlement. That the settlement reached between the parties is not



illegal. The parties have reached the settlement without any undue influence or force or coercion.

n) Defendant Nos. 1 and 2 agrees to submit to the Hon'ble Delhi High Court that the present suit may be decreed against Defendant Nos. 1 and 2 in terms of paragraph 5 of this Settlement Deed.

o) Plaintiff may pray for refund of Court Fees under Section 16 of Court Fees Act and Defendant Nos. 1 and 2 shall have no objection whatsoever, in case the Court Fees is refunded back to the Plaintiff."

4. Learned counsel for the parties jointly submit that compliances in terms of para 5 (e), (f) & (g) have to be carried out by the defendants. The method and manner of compliance, alongwith duration of such compliances, are expressly mentioned in Clause (e), (f) & (g) of para 5. Learned counsel for the defendants submits that the compliance shall be carried out and an affidavit of compliance shall be filed within two weeks from the various dates of completion of the compliances. The affidavits shall be filed by defendant nos.1 & 2 within the time stipulated above.

5. The parties are bound by the terms of the Settlement Agreement.

6. The suit is decreed *qua* defendant nos.1 & 2 in terms of the aforesaid settlement agreement. Let decree sheet be drawn up accordingly.

7. The application is disposed of.

8. The suit is decreed and disposed of alongwith all the pending applications, if any.

9. Fifty percent of the Court Fees be refunded in terms of Section 16 of the Court Fees Act, 1870 upon fulfilment of all the formalities, as per rules.

10. The date already fixed i.e. 05.05.2026 is cancelled.

TUSHAR RAO GEDELA, J

FEBRUARY 9, 2026

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