



* IN THE HIGH COURT OF DELHI AT NEW DELHI

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Judgment Reserved on : 11th July, 2025

Judgment pronounced on : 10th October, 2025

+ CS(COMM) 1050/2018, I.A. 10101/2018, I.A. 3639/2020, I.A. 14222/2021, I.A. 14475/2021 & I.A. 15514/2021

ALKEM LABORATORIES LTD.Plaintiff

Through: Mr. Rajiv Nayar, Senior Advocate and Mr. Sandeep Sethi, Senior Advocate with Mr. Sagar Chandra, Ms. Ishani Chandra, Ms. Srijan Uppal, Ms. Mehek Dua, Ms. K. Natasha, Ms. Aparna Tripathy, Mr. Subhadeep Das, Ms. Naman and Ms. Shreya, Advocates.

versus

ALCHEM INTERNATIONAL PVT. LTD.Defendant

Through: Mr. Raj Shekhar Rao, Senior Advocate with Ms. Sonam Gupta, Mr. Saumay Kapoor, Mr. Shiva Pande, Ms. Meherunissa Jaitley, Ms. Ritvika Poswal and Mr. Sandeep Malik, Advocates.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

JUDGMENT

AMIT BANSAL, J.

I.A. 10101/2018 (under Order XXXIX Rule 1 and 2, CPC), I.A. 14222/2021 (under Order XXXIX Rule 1 and 2, CPC) and I.A. 15514/2021 (under Order XXXIX Rule 4, CPC)

1. By way of the present judgment, I shall decide the above captioned



applications.

2. The present suit has been filed seeking the relief of permanent injunction restraining the defendant from infringing the trademark of the plaintiff, passing off along with other ancillary reliefs.

3. Along with the present suit, the plaintiff filed I.A.10101/2018 under Order XXXIX Rule 1 and 2 of the Code of Civil Procedure, 1908 (hereinafter 'CPC'), seeking an *ex parte ad interim* injunction, restraining the defendant from using the mark 'ALCHEM'.

4. This Court passed an order in I.A.10101/2018 on 30th October 2018, wherein the defendant was directed to maintain the *status quo* with regard to the number of products being sold by the defendant.

5. It is the plaintiff's case that, subsequent to the aforesaid order, the defendant changed the trade dress, giving far greater prominence to 'ALCHEM/ALCHEM LIFE' marks on its products and expanded its presence on e-commerce platforms.

6. Consequently, the plaintiff filed another application under Order XXXIX Rule 1 and 2 of the CPC *i.e.* I.A. 14222/2021 on 27th October 2021, seeking additional reliefs *qua* restraining the defendant from advertising and promoting the impugned mark 'ALCHEM/ ALCHEM LIFE' on various mediums with/without any suffix/prefix.

7. Thereafter, the defendant filed an application under Order XXXIX Rule 4 of the CPC *i.e.* I.A. 15514/2021 on 25th November 2021, seeking vacation of the *ad interim* order dated 30th October 2018.

8. The parties were referred for mediation on 20th May 2022. However, the mediation proceedings did not fructify, as recorded in the order dated 24th



November 2022.

9. The captioned applications were heard on 14th January, 2025, 19th February, 2025, 7th April, 2025, 14th May, 2025 and on 11th July, 2025, when the judgment was reserved.

CASE SET UP IN THE PLAINT

10. The case set up by the plaintiff in the plaint is as under:

10.1. The plaintiff, Alkem Laboratories Ltd., is a pharmaceutical company, which was incorporated in 1973 and is engaged in the development, manufacture and sale of pharmaceutical and nutraceutical products.

10.2. The plaintiff has a portfolio of over 700 brands covering all major therapeutic segments, with 14 of its brands featured among the top 300 brands in India.

10.3. The plaintiff is the registered proprietor of the trademark/ house mark 'ALKEM' and has been using it continuously since 1973 as a part of its trade name/ trademark. The various trademark registrations granted in favour of the plaintiff for the mark 'ALKEM' are enlisted in paragraph 10 of the plaint. The earliest trademark registration bearing number 291228 for the mark 'ALKEM' dates back to 1st October 1973, under Class 5 on a '*proposed to be used*' basis.

10.4. The plaintiff has a large market presence in the pharmaceutical industry, not only in India but also worldwide. In support of this averment, the plaintiff has provided its sales figures from the year 1973 to the financial year 2016-2017 in paragraph 12 of the plaint. The annual turnover of the plaintiff company for the year 2016-2017 for products sold under the mark 'ALKEM' was to the tune of Rs. 5,852.5 crores.



10.5. The plaintiff has also invested heavily in the promotion and advertisement of 'ALKEM' brand. The year-wise annual promotional expenditure of the plaintiff from 1973 to 2016-2017 is provided in paragraph 13 of the plaint. The annual promotional expenditure of the plaintiff company for the year 2016-2017 for products sold under the mark 'ALKEM' was to the tune of Rs.425.96 crores.

10.6. In and around the year 2005, the plaintiff came across the defendant, Alchem International Limited, also engaged in manufacture and sale of pharmaceutical and allied products.

10.7. The plaintiff sent a cease-and-desist notice dated 15th December 2005 to the defendant asking the defendant to refrain from using the mark 'ALCHEM'. The defendant responded to the said notice *via* reply dated 10th January 2006. After receiving the defendant's response, the plaintiff found no infringing products in the market and took no further action.

10.8. In July 2018, the plaintiff learned that the defendant has been expanding its business under the trademark 'ALCHEM'. Upon this discovery of market expansion, the plaintiff filed the present suit on 31st July 2018.

CASE SET UP IN THE WRITTEN STATEMENT

11. The case set up by the defendant in the written statement is as under:

11.1. The defendant company, Alchem International Pvt. Ltd., was incorporated in the year 1982. It is engaged in the business of providing plant derived active ingredients and ayurvedic extracts to pharmaceutical, cosmetic and nutraceutical industries (hereinafter referred to as 'API'). Most of the APIs manufactured by the defendant are exported to foreign countries. The defendant uses the mark 'ALCHEM' in connection with aforesaid goods.



11.2. The defendant claims to have adopted the 'ALCHEM' mark in 1982. Defendant has coined the mark 'ALCHEM' by deriving it from the combination of two words i.e. 'Alkaloids and Chemicals'.

11.3. The defendant commenced the sale of its products under the mark 'ALCHEM' in the year 1985. The annual sales figures of the defendant company for the financial years 1985-1986 to 2017-2018 are given in paragraph 17 of the written statement. Documentary evidence (copies of invoices from 1987 onward, export and customs records from 1986, etc.) has been filed to show the defendant's use of 'ALCHEM' mark on its products since 1986.

11.4. The defendant contends that it has been using the mark 'ALCHEM' concurrently with the plaintiff since 1980s. On 13th July 1998, the defendant submitted its first application to the Trade Marks Registry, for registration of trademark 'ALCHEM', under Class 5.

11.5. To establish its long and continuous use, the defendant has placed reliance on trademark registrations for the mark 'ALCHEM' worldwide. The defendant's mark 'ALCHEM' is said to be registered in about 49 countries (out of 102 applications filed). The defendant has also filed several trademark applications in India over the years for the mark 'ALCHEM' under Classes 1, 3, 5, 29 and 30.

SUBMISSIONS ON BEHALF OF THE PLAINTIFF

12. Mr. Rajiv Nayar, Senior Counsel appearing on behalf of the plaintiff, has made the following submissions:

12.1. The plaintiff is the registrant of the mark 'ALKEM' in relation to pharmaceutical products and also the prior user of the mark 'ALKEM'. The



plaintiff adopted the mark 'ALKEM' in the year 1973, whereas the defendant adopted the mark 'ALCHEM' in the year 1982.

12.2. The defendant's contemporaneous use of the phonetically and visually similar mark 'ALCHEM/ALCHEM LIFE' for identical products is likely to cause confusion and amounts to trademark infringement and passing off.

12.3. The plaintiff had sent a cease-and-desist notice dated 15th December 2005 to the defendant. In addition to this, the plaintiff has filed various notices of opposition dated 31st December 2010, 4th April 2011, 18th April 2017 and 15th June 2018 before the Trade Marks Registry against the trademark applications filed by the defendant. Hence, the plaintiff did not encourage or acquiesce to the use of the mark 'ALCHEM' in any manner.

12.4. There is no question of any acquiescence as there was no positive act on behalf of the plaintiff. Further, the suit is not barred by limitation as the cause of action is a recurring one.

12.5. The defendant changed its trade dress after the order passed by this Court on 30th October 2018, giving far greater prominence to 'ALCHEM/ALCHEM LIFE' on its product packaging and in online advertisements.

12.6. The defendant was only exporting APIs and bulk drugs under the impugned mark 'ALCHEM' up to the year 2006. The defendant entered into a similar channel of trade as that of the plaintiff and started retailing its products in India, only after the cease-and-desist notice was sent by the plaintiff.

12.7. Despite the order passed by this Court on 30th October 2018, the defendant has failed to comply with the status quo direction with respect to



the number of products being sold by the defendant. In this respect, an application under Order XXXIX Rule 2A of the CPC [I.A. 14475/2021], seeking contempt action against the defendant for non-compliance of the aforesaid order has been filed, which is pending.

12.8. The defendant has recently increased its marketing activities for the mark 'ALCHEM' in order to confuse the consumers. The defendant has started running new advertisements (including radio ads) wherein 'ALCHEM' is pronounced identically to 'ALKEM', thereby deliberately creating confusion.

12.9. The sample products purchased by the plaintiff on 22nd November, 2021 show that the new labels emphasize 'ALCHEM/ALCHEM LIFE' more prominently than the pre-2018 labels.

12.10. It is contended that the aggressive branding changes, together with online videos and media ads prominently featuring 'ALCHEM/ALCHEM LIFE' as a stand-alone mark, confirm the defendant's intent to exploit the plaintiff's goodwill and aggravate confusion.

SUBMISSIONS ON BEHALF OF THE DEFENDANT

13. Mr. Raj Shekhar Rao, Senior Counsel appearing on behalf of the defendant, has made the following submissions:

13.1. The plaintiff's trademark registrations for the mark 'ALKEM' were only filed on a '*proposed to be used*' basis.

13.2. The plaintiff's mark 'ALKEM' had no goodwill or reputation in the year 1982, when the defendant adopted the impugned mark 'ALCHEM'. This is evident from the judgment dated 27th November 1990 passed by the Bombay High Court in *Alkem Laboratories Pvt. Ltd. v. Alchem (India) Ltd.*,



IPLR 1999 October 352. In the said case, the Bombay High Court observed that the plaintiff's mark 'ALKEM' is not so widely known, atleast in India, to have acquired secondary meaning to be indicative of origin of the goods manufactured by the plaintiff.

13.3. The defendant has been an honest and concurrent user of the mark 'ALCHEM' for over three decades since 1985.

13.4. The suit is barred by limitation and the plaintiff's long inaction amounts to acquiescence in the defendant's use of the mark 'ALCHEM'. The plaintiff was aware of the defendant's business and its use of the mark 'ALCHEM' since 1996 (placed reliance on directories from 1996, trade fair participation, meetings and correspondences in 2002–2004), but the plaintiff, inexplicably, waited more than 20 years before filing the suit.

13.5. The plaintiff sent a single cease-and-desist notice in 2005 to which the defendant replied on 10th January 2006. Even after receiving the response, the plaintiff chose to remain silent for over a decade and waited for the defendant to expand its business. The plaintiff brought an infringement action only when the plaintiff decided to expand its business and entered into the same segment of products as the defendant i.e. nutraceuticals.

13.6. The defendant denies any likelihood of confusion between its mark 'ALCHEM' and the plaintiff's mark 'ALKEM' as the defendant's products are never referred to by the 'ALCHEM' mark in the market and it appears only as a small source identifier on labels. The consumers identify the defendant's products by their generic or product names.

13.7. The defendant offers a wide array of nutraceutical, cosmeceutical and pharmaceutical products that are not identical to the plaintiff's



pharmaceutical/generic preparations. In these circumstances, the defendant insists that mere phonetic similarity is not sufficient for infringement of trademark as the rights of the parties are confined to specific classes of goods. 13.8. It is the defendant's case that the interim injunction order was directed at the defendant to maintain status quo with regard to the number of products bearing the mark 'ALCHEM' and not in respect of advertising and promotion of the defendant's products.

ANALYSIS AND FINDINGS

14. In the present case, the competing marks of the plaintiff and the defendant are 'ALKEM' and 'ALCHEM', respectively. There can be no dispute about the fact that the two marks are phonetically identical and this fact has not even been disputed by the counsel during the course of arguments.

15. The plaintiff company was incorporated in the year 1973 under the name of 'Alkem Laboratories Private Limited' and has been selling its products using the mark 'ALKEM' as a part of its tradename and house-mark. To support its claim of use, the plaintiff company has placed on record its balance-sheets as well as sales figures from the year 1973 to the Financial Year 2016-17, supported by a CA Certificate.

16. The plaintiff has various trademark registrations in respect of the mark 'ALKEM' across various classes, details of which are given in paragraph 10 of the plaint. The earliest registration was granted to the plaintiff in Class 5 with effect from 1st October, 1973, on a '*proposed to be used*' basis.

17. The defendant company, Alchem International Pvt. Ltd., was incorporated in the year 1982. The defendant company has been selling APIs



and bulk drugs under the mark ‘ALCHEM’ since the year 1985¹. The defendant company filed various trademark applications in respect of its mark ‘ALCHEM’ in different classes including Class 5, which were opposed by the plaintiff. Till date, no trademark registration has been granted in favour of the defendant in India.

18. From the aforesaid narration, it is evident that the plaintiff is the prior adopter and user of the mark ‘ALKEM’. Further, the plaintiff is the registered proprietor of the mark ‘ALKEM’ whereas, the defendant has not been granted any trademark registration in respect of its mark ‘ALCHEM’.

19. In the oral as well as the written submissions filed on behalf of the defendant, following defences have been taken on behalf the defendant, which have been dealt with hereinafter:

I. The plaintiff has acquiesced to the defendant’s use of the mark ‘ALCHEM’ and the suit filed by the plaintiff suffers from inordinate delay.

20. It has been argued on behalf of the defendant that the plaintiff and defendant have co-existed together for a long period of time and have been aware of each other’s existence. To buttress this defence, defendant has placed reliance on trade journals and magazines from 1996, which reflect the name of the plaintiff as well as the defendant, as having attended exhibitions together (*Buyer’s Guide 1996, Pg 15 of Volume I of defendant’s documents, Visitor’s logbook, Pg 426-428 of Volume VI of defendant’s documents*).

¹ Paragraph 17 of the Written Statement filed on behalf of the defendant.



21. The defendant also submits that there were e-mails, correspondence exchanged between the plaintiff and the defendant, as far back as 2004 (*Email dated 15th June 2004, Pg 29 of Volume I of defendant's documents*). Accordingly, it is submitted that the plaintiff has been aware of the defendant operating under the corporate name of 'ALCHEM', as early as 1996.

22. On behalf of the plaintiff, it is submitted that before 2005, the defendant was only exporting APIs/ Bulk drugs. The fact that defendant never retailed its products in India before 2006 is evident from the invoices filed by the defendant.

23. Merely because the plaintiff and the defendant are mentioned in a trade directory, it cannot be construed that the plaintiff was aware of the defendant as a competitor. The listing relied by the defendant itself shows that the products of the plaintiff and the defendant were different. The screenshot of the extract from the Buyer's Guide, 1996 filed by the defendant (*Buyer's Guide 1996, Pg 15 of Volume I of defendant's documents*), reflecting the listing of the plaintiff and the defendant is reproduced below:

16. Alkem Laboratories Limited 510, Shah Nahar, Dr. E. Moses Road, Worli, BOMBAY-400018. Mr. B. N. Singh , Director Tel: 4937415/4937416 4952789/4952790 Tlx: 011-76361 Fax: 4932955	C-6/1, MIDC, Talaja Maharashtra. At-Naugama On N.H.No.8, Ankleshwar-393010, GUJARAT.	Capsules Tablets Liquid Injection Liquid Injection Dry Syrup B.Lactum General Capsules
17. Alchem International P.Ltd. 201, Empire Plaza, Mehrauli Gurgaon Road, Sultan Pur, New Delhi-110030. Mr. Raman Mehta , Vice President Tel: 011-6803500 to 011-6803504 Fax: 011-6801770/6802102/ 6803504	25/2, Main Mathura Road, VIII: Kalli, Ballabgarh	Extracts, Their active Ingredients & Alkaloids



24. Similarly, merely because an email has been sent by the defendant to the representative of the plaintiff and the fact that plaintiff had visited the defendant would also not imply that the plaintiff was aware of the defendant as a competitor in the market. A perusal of the said e-mail dated 15th June 2004 (*Pg 29 of Volume I of defendant's documents*) suggests that the defendant wanted to sell its products to the plaintiff and hence, could not be viewed as a competitor. Pertinently, the plaintiff did not respond to the said e-mail.

25. It is evident from the invoices filed by the defendant that its first retail invoice in India is of 26th July 2006 (*at Pg 614, Volume IV of the defendant's documents*). The invoices prior to that are in respect of sales made outside India.

26. A legal notice dated 15th December 2005 was issued by the plaintiff to the defendant calling upon the defendant to desist from using the mark 'ALCHEM'. The aforesaid notice was responded by the defendant on 10th January 2006. In the said reply, the defendant *inter-alia* took the following stand:

- i. The defendant is engaged in manufacture of "alkaloids and chemicals", and on that basis, the defendant had derived the name 'ALCHEM'. Therefore, adoption of 'ALCHEM' is *bona fide*.
- ii. Defendant has been carrying out business of production of Active Pharmaceutical Ingredients (APIs), nutraceuticals and Ayurvedic extracts for medicinal and cosmetic use.



27. There was a clear admission by the defendant that it was not engaged in the business of manufacture and sale of pharmaceutical products and was only dealing in APIs, nutraceuticals etc.

28. The defendant submits that despite receiving a categorical response from the defendant, refusing to comply with the demand of the plaintiff to desist from using the mark 'ALCHEM', the plaintiff filed the present suit only in the year 2018, twelve (12) years after the receipt of the said reply. This would amount to undue delay as well as acquiescence on behalf of the plaintiff. The plaintiff waited for the defendant to expand its business and then decided to file the present suit. Therefore, no interim injunction can be granted in favour of the plaintiff.

29. *Per contra*, it is contended on behalf of the plaintiff that since the use of the mark 'ALCHEM' by the defendant was limited, the plaintiff did not initiate legal proceedings to restrain the defendant from using the said mark. However, there was no acquiescence on part of the plaintiff since the plaintiff filed various notices of opposition against the various trademark applications filed by the defendant before the Trade Marks Registry (*Page nos. 598-666, Volume III of the plaintiff's documents*).

30. As per the plaintiff, it was only on account of the defendant launching large number of competing products in the year 2017-18 and expansion of its activities that the plaintiff was constrained to file the present suit in 2018. In this regard, the plaintiff has placed reliance on the sales and advertising figures given by the defendant to show that there was a splurge in the sales and promotional activities carried out by the defendant in or around 2018.



31. The defence of delay in filing the suit as well as acquiescence has been the subject matter of consideration in various cases before the Supreme Court as well as this Court. Therefore, before I proceed further, I deem it necessary to discuss some of these judicial authorities dealing with the aspect of acquiescence and delay.

32. As far back as 1989, this Court in ***Hindustan Pencils Pvt. Ltd. v. India Stationary Products Co. & Anr.***, 1989 PTC 61 has held that mere silence cannot amount to acquiescence. There would be acquiescence only if there is an encouragement on part of the plaintiff to the defendant's use of the impugned mark. Inordinate delay or laches may be relevant while determining the claim of damages and rendition of accounts. However, keeping in mind the interest of general public, the relief of interim injunction should not be refused merely on the ground of inordinate delay or laches. The relevant observations of the Court are set out below:

“31. It would appear to me that there is an honest concurrent user by the defendant then inordinate delay or laches may defeat the claim of damages or rendition of accounts but the relief of injunction should not be refused. This is so because it is the interest of the general public, which is the third party in such cases, which has to be kept in mind. In the case of inordinate delay or laches, as distinguished from the case of an acquiescence, the main prejudice which may be caused to the defendant is that by reason of the plaintiff not acting at an earlier point of time the defendant has been able to establish his business by using the infringing mark. Inordinate delay or laches may be there because the plaintiff may not be aware of the infringement by the defendant of the plaintiff may consider such infringement by the defendant as not being serious enough to hurt the plaintiff's business. Nevertheless, if the Court comes to the general public who may be misled into buying the goods manufactured by the defendant thinking them to be the goods of the plaintiff then an



injunction must be issued. The Court may, in appropriate cases, allow some time to the defendant to sell off their existing stock but an injunction should not be denied.

37. There is no force in the aforesaid contention of the learned counsel for the defendants. **As has already been noted, acquiescence means something more than mere silence on the part of the plaintiffs. Acquiescence means encouragement on the part of the plaintiff to the defendant.** There should be a mistaken belief by the defendant that there is no objection to the plaintiff using its mark. **In the present case the plaintiffs have taken action by applying to the Registrar of Copyright for cancellation of the registration which had been granted to the defendant.** In the application for cancellation it has been specifically stated by the plaintiffs that the use of the infringing label has adversely affected the business of the plaintiffs. **It is true that no specific notice was sent to the defendant asking the defendant not to use the mark and it is further correct that no suit for injunctions was immediately filed. Such non-action may disentitle the plaintiff for the award of damages or rendition of accounts, but such inaction does not show any consent or acquiescence on the part of the plaintiff to the defendant's using the said mark. No overt act has been done by the plaintiffs which could, in any manner, amount to encouraging the defendant to continue to use the infringing mark.**”

[Emphasis supplied]

33. The ambit of defence of acquiescence was also considered by the Supreme Court in ***Power Control Appliances v. Sumeet Machines***, (1994) 2 Supreme Court Cases 448. The relevant observations of the Court are set out below:

“26. Acquiescence is sitting by, when another is invading the rights and spending money on it. It is a course of conduct inconsistent with the claim for exclusive rights in a trade mark, trade name etc. It implies positive acts; not merely silence or inaction such as is involved in laches. In *Harcourt v. White*



[(1860) 28 Beav 303 : 54 ER 382] Sr. John Romilly said: “It is important to distinguish mere negligence and acquiescence.” Therefore, acquiescence is one facet of delay. If the plaintiff stood by knowingly and let the defendants build up an important trade until it had become necessary to crush it, then the plaintiffs would be stopped by their acquiescence. If the acquiescence in the infringement amounts to consent, it will be a complete defence as was laid down in Mouson (J.G.) & Co. v. Boehm [(1884) 26 Ch D 406]. The acquiescence must be such as to lead to the inference of a licence sufficient to create a new right in the defendant as was laid down in Rodgers v. Nowill [(1847) 2 De GM&G 614 : 22 LJ KCH 404] .”

[Emphasis supplied]

34. In ***Midas Hygiene Industries v. Sudhir Bhatia***, 2004 SCC OnLine SC 106, the Supreme Court set aside the judgment of the Division Bench of this Court whereby the relief of interim injunction was denied to the plaintiff/respondent on the ground of acquiescence. The Division Bench held that the delay resulted in expansion of the business of the defendant/ appellant. While reversing the judgment of the Division Bench, the Supreme Court has held that mere delay in bringing action is not sufficient to defeat the grant of injunction. The relevant observations of the Court are set out below:

“5. The law on the subject is well settled. In cases of infringement either of trade mark or of copyright, normally an injunction must follow. Mere delay in bringing action is not sufficient to defeat grant of injunction in such cases. The grant of injunction also becomes necessary if it prima facie appears that the adoption of the mark was itself dishonest.”

35. Relying upon ***Power Control Appliances*** (supra) and ***Midas Hygiene*** (supra), the Division Bench of this Court in ***Atlas Cycles (Haryana) Ltd. v. Atlas Products (P) Ltd.***, 2007 SCC OnLine Del 1068, reiterated the principle that for acquiescence, there must be a positive action on the part of the



plaintiff. The Division Bench emphasized the settled principle of law relating to trademarks that in order to obviate any possibility of deception and confusion there must be only one mark, one source and one proprietor in respect of similar products. The Division Bench also went on to hold that the ratio of *Midas Hygiene* (supra) shall apply to trade names as well. The relevant observations of the Court are set out below:

“27. Contrary to Ramdev, the Defendant/Respondent has no contractual right to sell cycles using the name ‘Atlas’ directly or indirectly. Of course, the trial Judge has the discretion to take the decision on this question, and Wander would commend, if not command us, not to interfere with the exercise of this discretion. The conclusion that must be drawn from the detailed discussion and analysis above is that while exercising discretion the Court’s endeavour must be to remove any possibility of deception or confusion so far as the customer is concerned. In other words the jural approach must be to ensure that there is only one mark, one source and one proprietor. Where the same product is being offered for purchase (Masala or cycle as the case may be) continuance of confusion should be put to an end.”

28. The conundrum so far as the use of the trade/corporate/brand name is concerned is sought to be unravelled by the learned Single Judge onwards from paragraph 23 of the impugned Order. Even in respect of the trade name the Court has gone into the ramifications of delay and acquiescence. However, the interests of the consumer, epitomized by the phrase that there can be only one mark, one source or one proprietor have not been accorded paramountcy, and hence discretion has been incorrectly exercised. The learned Single Judge fails to do so not because of the existence of any understanding or contract between the parties, but because of acquiescence, i.e. user by the Defendant/Respondent of ‘Atlas’ in its corporate name for seven years. Here again the case of the Plaintiff has not been properly kept in perspective, viz., that the Defendants started the business of manufacture and sale of cycles only in February 2002 and the



Plaintiffs immediately filed the Suit within a couple of months. Acquiescence, as we have already discussed, must contain some positive action on the part of the complaining party. Once February 2002 is taken as the focal date, and once the customers' rights are kept in mind, we are of the opinion that no discretion remains and the injunction must issue in favour of the Plaintiffs. This is especially so since the learned Single Judge has found in favour of the Plaintiff on the question of confusion or deception, and has accordingly enjoined the Defendant from using the trade mark 'Atlas'. It seems to us that the Midas doctrine applies both to trade marks as well as trade names even though so far as the latter goes there may not be any 'infringement' in the statutory sense."

[Emphasis supplied]

36. Relying upon the judgment in *Midas Hygiene* (supra) and *Hindustan Pencils* (supra), I had observed in *Mayo Foundation for Medical Education and Research v. Bodhisattva Charitable Trust and Others*, 2023 SCC OnLine Del 3241, that if the defendant, being fully aware of the prior existence and use of the mark by the plaintiff, chooses to adopt the same, interim injunction has to be granted. It was also observed that once a legal notice has been sent by the plaintiff and despite that the defendant continues to use the impugned mark, then there can be no plea of acquiescence. The judgment in *Mayo* (supra) has been recently upheld by the Division Bench of this Court². While dealing with the aspect of acquiescence, the Division Bench held as under:

"28. Re. plea of acquiescence

28.1 The plea of acquiescence, as raised by Mr. Sud, has also no legs to stand on. In the first place, Section 33, which deals with the effect of acquiescence, applies only to a registered trademark.

² Bodhisattva Charitable Trust v. Mayo Foundation for Medical Education and Research, FAO(OS) COMM 73/2024



Inasmuch as the appellant does not have any registered trademark, it cannot seek the benefit of Section 33.

28.2 Even otherwise, the plea of acquiescence is belied by the fact that the respondent had issued a cease and desist notice to the appellant as far back as on 11 April 2014. If the appellants, despite the said notice, continued to use the MAYO mark till 2022, they did so at their own peril. They cannot seek to derive any equities from such user having been put on notice by the respondent in that regard. Equally, the respondent having put the appellant on notice regarding the infringing use, by it, of the MAYO mark and having called upon the appellants to cease and desist from continuing use the mark, it cannot be said that the respondent had acquiesced to the use of the mark by the appellants. One may refer, in this context, to the judgment of the Supreme Court in **Power Control Appliances v Sumeet Machines Pvt Ltd**²⁵ which deals with acquiescence....”

[Emphasis supplied]

37. In **Adidas AG v. Keshav H. Tulsiani**, 2024 SCC OnLine Del 4940, noting that the plaintiff had actively opposed defendant no. 1’s trademark applications, the plea raised by the defendant of delay and laches was rejected by the Coordinate Bench of this Court. The relevant paragraphs of the said judgment are set out below:

“22. The Plaintiff has demonstrated a consistent effort in challenging the Defendants’ attempts to register the impugned trademark “ADIDAS.” As detailed in paragraph 2.7 of this judgment, these oppositions form part of the Plaintiff’s legal actions to protect their rights and prevent the unauthorized use of a trademark that closely resembles or infringes upon their own established mark.

23. The legal doctrines of delay, laches, and acquiescence serve to prevent Plaintiff from asserting their rights if they have unduly delayed taking action to the detriment of the Defendants. Delay and laches is an equitable defence that bars claims where the Plaintiff has delayed unreasonably, and the delay has prejudiced



the Defendant. However, these defences require a thorough examination of the Plaintiff's conduct and the surrounding circumstances. To establish that delay and laches bars the maintainability of a suit, it must be demonstrated that the Plaintiff unreasonably procrastinated in initiating the action, thereby causing demonstrable prejudice to the defendant. In this case, rather than delaying, the Plaintiff actively opposed the Defendant No. 1's trademark applications and promptly challenged the registration when they became aware of it in 2010. This negates the argument of unreasonable delay and laches.

24. Acquiescence requires proof that the Plaintiff, by their actions or inaction, has given the impression that they will not assert their trademark rights, leading the Defendants to believe that the use of the Defendant's mark is accepted. For acquiescence to be a valid defence, there must be clear evidence of positive acts of encouragement by the Plaintiff, not mere silence or inaction. In this case, the Plaintiff's oppositions and legal actions to the Defendant No. 1's registration, demonstrates a clear lack of acquiescence. Rather, the Plaintiff's actions reflect an active effort to protect their trademark rights. They consistently opposed the Defendant's trademark applications and sought legal redress promptly upon discovering the erroneous registration. There is no evidence of positive encouragement or consent from the Plaintiff regarding the Defendant's use of the mark. The continuous legal efforts since the early 1980s, demonstrate Plaintiff's commitment to protecting their trademark rights and negate any claims of delay, laches, or acquiescence."

[Emphasis supplied]

38. The legal principles which emerge from the aforesaid judicial precedents can be summarized as under:

- i. In order to constitute acquiescence, there has to be a positive/overt act on behalf of the plaintiff. Mere silence on behalf of the plaintiff cannot amount to acquiescence.



- ii. Mere delay or laches in filing a suit cannot be the ground for refusing interim injunction as this would be opposed to interest of general public.
- iii. Once a cease-and-desist notice is sent by the plaintiff to the defendant and/or an opposition/rectification is filed in respect of the defendant's mark, it cannot be said that there is any acquiescence.
- iv. A person/ entity who knowingly adopts the trademark of plaintiff being fully aware of prior existence of the plaintiff, cannot take the defence of acquiescence.
- v. To avoid any possibility of deception and confusion in respect of similar products, the Court must ensure that there is only one mark, one source and one proprietor.

39. ***Dr. Reddy's Laboratories Limited v. Reddy Pharmaceuticals Limited***, (2004) 29 PTC 435, was a case where the defendant, even though using the trade name "Reddy Pharmaceutical Limited" for a long time, was not dealing with products similar to that of the plaintiff. The defendant was a trader in bulk drugs. It was only in the year 2003 that the defendant launched various pharmaceutical preparations under the mark 'Reddy', which resulted in the plaintiff filing infringement suit against the defendants.

40. In these facts and circumstances, the Coordinate Bench granted an interim injunction in favour of the plaintiff and against the defendant while rejecting the defence of acquiescence and laches raised by the defendants. The relevant paragraphs are set out below:

"11. The pleadings and the material on record prima facie show that the defendant also has been functioning under the trade name "Reddy Pharmaceutical Limited" since 1996 but its sphere of business was never manufacturing drugs or pharmaceutical



preparations. It is shown on record that the defendant was only a trader in bulk drugs and was acting as an agent of the plaintiff even for the sale of bulk drugs. The defendant was purchasing bulk drugs since 1997 not only from the plaintiff but from other manufacturers also and was supplying the same to various pharmaceutical companies and as such was an agent only for the sale of bulk drugs. The copies of invoices placed on record prima facie establish this fact. The defendant was appointed as a del credere agent by the plaintiff on April 1, 2003, and an agreement was entered between them in this behalf. Till April, 2003, therefore, there was no problem between the plaintiff and the defendant but in August, 2003 the defendant suddenly launched about 33 pharmaceutical preparations under various brand names and started using the name "Reddy" which gave the plaintiff a rude jolt inasmuch as in the field of manufacturing of bulk drugs and pharmaceutical preparations the trade mark "Dr. Reddy's" was distinctly associated and identified with the plaintiff company. There is nothing on record to show that prior to August, 2003 the defendant was engaged in the manufacturing or sale of the pharmaceutical preparations under the trade name "Reddy". The articles of association of the defendant which say that one of the objects of the defendant-company was to carry on business of manufacture and trading of all kinds of pharmaceutical preparations and drugs does not advance the defendant's case in any manner as it is shown on record that prior to August, 2003 the defendant was not at all engaged in the manufacturing, marketing or sale of pharmaceutical preparations. It was only dealing in bulk drugs manufactured by others including the plaintiff-company.

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16. Learned counsel for the defendant has vehemently argued that the plaintiff is not entitled to this discretionary relief on account of its acquiescence and laches in objecting to the use of trade mark "Reddy" by the defendant-company. It is submitted that since 1997 the plaintiff knew that the defendant is trading and functioning under the trade name "Reddy" but it never objected and to the contrary it kept on having business dealings with the



defendant and appointed him as a del credere agent in April, 2003. This plea of the defendant is also prima facie untenable for the reason that till August, 2003 there was no clash of interests between the plaintiff and the defendant-company and in fact the defendant was engaged in advancing and promoting the business of the plaintiff-company by acting as its agent for the sale of bulk drugs. The threat came in August, 2003 when the defendant introduced in the market its pharmaceutical preparations and thereby threatened the business interests of the plaintiff company. This move of the defendant was mala fide on the face of it as it was not manufacturing pharmaceutical preparations earlier but now it was trying to market the pharmaceutical preparations manufactured by others under the trade mark “Reddy”. The plaintiff immediately raised objections, meetings were held and when nothing came out the plaintiff rushed to the court. As such there was neither any acquiescence nor any laches on the part of the plaintiff to object to the impugned action of the defendant. It cannot be said that the plaintiff has allowed the defendant to build a reputation or goodwill in trade name “Reddy” for use on pharmaceutical preparations. Moreover, the owners of trade marks or copy rights are not expected to run after every infringer and thereby remain involved in litigation at the cost of their business time. If the impugned infringement is too trivial or insignificant and is not capable of harming their business interests, they may overlook and ignore petty violations till they assume alarming proportions. If a road side Dhaba puts up a board of “Taj Hotel”, the owners of Taj group are not expected to swing into action and raise objections forthwith. They can wait till the time the user of their name starts harming their business interests and starts misleading and confusing their customers.”

[Emphasis supplied]

41. A final decree of permanent injunction was passed in the aforesaid suit vide judgment dated 13th September 2013 restraining the defendant from using the impugned trademark/ trade name “REDDY”. The plea of acquiescence was rejected while observing that the plaintiff had no cause of



concern to bring an infringement action as long as the parties were not in the same line of business.

42. An appeal has been preferred against the aforesaid judgment dated 13th September 2013 in C.S. (OS) No. 2194/2003 before the Division Bench of this Court³, which is still pending. However, there is no stay operable against the judgment of the Single Bench.

43. The facts and circumstances of the present case are quite similar to the facts obtaining in *Dr. Reddy's Laboratories* (supra). In the present case also, till 2005-06, the defendant was only dealing with bulk drugs and APIs and was supplying or exporting the same to various pharmaceutical companies. Only in the year 2006, the defendant began retailing its products in India, which was after the legal notice was sent by the plaintiff to the defendant in 2005.

44. Besides sending a legal notice to the defendant in the year 2005, the plaintiff also filed various oppositions to the trademark applications filed on behalf of the defendant, the details of which are given below:

Trade Mark and Application No.	Date of Application and Class	User Claimed	Status
 809991	13.07.1998 Class 5	01.01.1997	Opposed on 18 th April 2017 by plaintiff
ALCHEM PHYTOCEUTICALS	19.06.2007 Class 5	26.07.2006	Opposed on 4 th April 2011 by plaintiff

³ Reddy Pharmaceuticals v. Dr. Reddy's Laboratories, RFA(OS) 138/2013



1569972			
ALCHEM (Word Mark) 1883082	11.11.2009 Classes 1, 3, 5, 29 and 30	01.04.1982	Opposed on 31 st December 2010 by plaintiff
AlchemPhyto 3723490	10.01.2018 Class 30	Proposed to be used	Opposed on 15 th June 2018 by plaintiff

45. The defendant in reply to I.A. 14775/2021 [*under Order XXXIX Rule 2A, CPC*] has set out a table giving details of the number of products launched by the defendant from the year 2006 to 2018 (*paragraph 22 of the reply to I.A. 14775 of 2021*). From a perusal of the aforesaid table, it appears that the number of new products being launched by the defendant had taken a significant leap in the year 2017 (30 new products) and 2018 (20 new products). A perusal of balance-sheets of the defendant for the Financial Years 2016-17 to 2018-19 would show that there has been a sharp increase in the advertisement and promotional expenses incurred by the defendant. The advertising and promotional expenses for the financial year 2015-16 and 2014-15 which were to the tune of Rs. 11.73 crores and Rs. 11.38 crores respectively, jumped to Rs. 16.46 crores and Rs. 24.38 crores in the years 2017-18 and 2018-19 respectively.

46. This is illustrative of the fact that when the defendant started expanding its business and launching new products in 2017 and 2018, the plaintiff was compelled to file the present suit. The present suit was filed in the year 2018, when the plaintiff was of the view that the business activities of the defendant have expanded in a manner that it threatens the business interests of the plaintiff and would likely mislead the customers. Earlier, even though the



plaintiff may be aware of the defendant, the business of the defendant was of a scale that it did not pose a threat to the business interest of the plaintiff.

47. There has been no positive act on behalf of the plaintiff which in any way condones the act of the defendant. The cease-and-desist notice and oppositions filed by the plaintiff to the defendant's trademark applications were sufficient warnings to the defendant that the plaintiff is not likely to accept the user of the impugned mark 'ALCHEM'. Hence, it cannot be stated that the plaintiff slept over its rights while the defendant invested in the growth and expansion of its business.

48. Therefore, in view of the discussion above, in my *prima facie* view, the defendant has failed to establish the defence of acquiescence or delay so as to deny the relief of interim injunction to the plaintiff.

II. The defendant is an honest and concurrent user

49. It is submitted on behalf of defendant that the adoption of the mark and name 'ALCHEM' is *bona fide* and has nexus with the business activity of the defendant. It is further submitted that it has been in business since 1985 and over the years has built up goodwill and reputation in the market with a turnover of Rs.247 Crores in 2018.

50. It is contended on behalf of the defendant that in the year 1982, when the defendant came into being, the plaintiff had not acquired any goodwill or reputation in the market. In this regard, reliance is placed on the judgment dated 27th November, 1990 passed by the Bombay High Court in the plaintiff's own case, i.e. *Alkem Laboratories v. Alchem*, the defendant being a different entity than the defendant in the present case. In the said judgment,



while denying interim injunction in favour of the plaintiff, the Bombay High Court made observations that the plaintiff's mark 'ALKEM' is not so widely known in India to have acquired a secondary meaning.

51. In response, it has been contended on behalf of the plaintiff that the adoption of the mark 'ALCHEM' by the defendant was not *bona fide* as the defendant was always aware of the name and existence of the plaintiff. Yet they proceeded to adopt a name nearly identical to the mark of the plaintiff.

52. It is submitted that the reliance by the defendant on the order passed by the Bombay High Court is misplaced as even though, no interim order was passed in favour of the plaintiff, the aforesaid matter was settled in 2009 and the defendant therein was restrained from using the mark 'Alchem'.

53. It is an admitted position that the plaintiff is the prior user and adopter as well as the registrant of the mark 'ALKEM' from the year 1973. Admittedly, the defendant was incorporated in the year 1982 and started selling its products using the mark 'ALCHEM' in the year 1985. The defendant has not pleaded that it was not aware of the plaintiff's existence or the mark 'ALKEM' being used by the plaintiff, when it adopted the mark 'ALCHEM'. Even in the years 1982 and 1985, the plaintiff had significant market presence in India as is evident from the balance sheets and CA Certificate placed on record. A simple due diligence exercise conducted on behalf of the defendant or a Trade Marks Registry search across various classes would have revealed that the plaintiff was the prior registered proprietor of the mark 'ALKEM' in Class 5. It is the defendant's own case that the names of the plaintiff and the defendant were appearing in trade directories in 1996; the plaintiff and the defendant were attending exhibitions



in 2002; and e-mails were sent by the defendant to the plaintiff in the year 2004. Therefore, the defendant cannot claim that it was not aware of the plaintiff's existence or the mark 'ALKEM' used by the plaintiff.

54. Admittedly, the defendant was using the mark 'ALCHEM' in respect of export of APIs and bulk drugs till the year 2005. It is only after the plaintiff had sent a legal notice dated 15th December 2005, that the defendant started retailing products under the impugned mark in India. At least at that point of time, there was no justification for the defendant to sell products similar to that of the plaintiff in India under a near identical mark. It is not the case of the defendant that it was not aware of the plaintiff at that point of time or that the plaintiff had not acquired sufficient goodwill or reputation in respect of the mark 'ALKEM' in 2006. Clearly, such user by the defendant cannot be considered *bona fide* and honest.

55. Reliance placed by the defendant on the aforesaid judgment of the Bombay High Court in the plaintiff's case is misplaced. The findings in the said judgment *qua* the goodwill and reputation of the plaintiff in 1989, cannot operate as *res judicata* against the plaintiff in the present proceedings.

56. The goodwill and reputation of the plaintiff and the mark 'ALKEM' is evident from the volume of sales achieved by the plaintiff in the year 1982. In the year 1982, when the defendant company was incorporated, the plaintiff company had substantial sales turnover to the tune of Rs. 6.2 crores and advertising expenses to the tune of Rs. 45 Lakhs. In the year 1985, when the defendant company started selling its products, the plaintiff had sales turnover to the tune of Rs. 14.27 Crores and advertising expenses of around Rs. 122 Lakhs.



57. The plaintiff has placed on record the following documents in support of its sales and advertising expenses:

- i. C.A. certificate certifying the sales figures of the plaintiff company from the year 1973 to 2017. [*Pg 81-82, Volume IV of plaintiff's documents*]
- ii. C.A. certificate certifying the promotional and advertising expenditure of the plaintiff company from the year 1973 to 2017. [*Pg 83-84, Volume IV of plaintiff's documents*]
- iii. Balance sheets for the period 1973, 1976-1987, 1989 and 1990 indicating the volume of 'Sales of Medicines' by the plaintiff company. [*Pg 84-268, Volume II of plaintiff's documents*]
- iv. Invoices showing use of the mark 'ALKEM' since 1987. [*PDF Pg 139-161, Volume V of plaintiff's documents*]

58. In light of the discussion above, in my *prima facie* view, it cannot be stated that the defendant is an honest and *bona fide* adopter or concurrent user of the mark 'ALCHEM'.

III. The plaintiff and the defendant manufacture and sell different products and there is no scope of confusion amongst the consumers

59. It is contended on behalf of the defendant that while plaintiff primarily deals with generic/pharmaceutical products, the defendant deals with non-generic products and *Ayurvedic* products. The products of the defendant are not sold by prescription, while the drugs sold by the plaintiff are prescription drugs. Only recently, the plaintiff has attempted to expand its product range so as to enter the field occupied by the defendant's products.



60. The aforesaid contention is rebutted on behalf of the plaintiff submitting that the plaintiff and the defendant are dealing in similar products.

61. It is stated that the plaintiff has been dealing with vitamins/ minerals (non-prescription drugs) since 1984. Therefore, it is wrong to contend that the plaintiff is not dealing with nutraceuticals. Reliance in this regard is placed on Balance sheets for the period 1973, 1976-1987, 1989 and 1990. [PDF pages 118, 189, 212 and 240, Volume II of plaintiff's documents], which reflect that the plaintiff is dealing with nutraceuticals.

62. From the material on record, it is evident that both the plaintiff and the defendant are dealing with medicinal and pharmaceutical products, which would also include health supplements, vitamins and multi-minerals and nutraceutical products. The trade channels of the products of the plaintiff and the defendant are same. Admittedly, both the products of the plaintiff and the defendant are sold through chemists and e-pharmacies. Both the plaintiff and the defendant are selling medicines for similar ailments like cold, flu, indigestion and the like.

63. Therefore, on a *prima facie* view, the defence that the plaintiff and the defendant are manufacturing and selling different products is untenable. On account of similarity of products sold by the parties, there is likelihood of confusion in the market especially among the medical practitioners, pharmacists etc. as well as the general public at large.

IV. There is no likelihood of confusion as the defendant's mark 'ALCHEM' appears only as a source identifier on its labels



64. It is contended on behalf of the defendant that the defendant's products are identified by their generic or product names and the mark 'ALCHEM' appears only as a source identifier.

65. The plaintiff has rebutted this contention and has placed on record the advertisements of the defendant as available on YouTube, wherein the impugned mark 'ALCHEM/ ALCHEMLIFE' is being used in a standalone manner.

66. I have perused the material including the online videos and media ads, placed on record. Clearly, the defendant, in its advertisements and promotions, has used the impugned mark 'ALCHEM/ ALCHEMLIFE' in a standalone manner. The impugned marks also appear prominently on the product packaging and on online advertisements.

67. In any event, the defendant's use of the mark 'ALCHEM/ ALCHEMLIFE' on its product packaging as well as in advertising would amount to infringement under sub-section (5) and (6) of Section 29 of the Trade Marks Act, 1999 (hereinafter 'the Act'). The use of trade name 'ALCHEM' on the defendant's packaging material in addition to the generic names is likely to cause confusion in the mind of customers of average intelligence.

68. Therefore, on a *prima facie* view, the defence taken by the defendant that the mark 'ALCHEM' is used only as a source identifier is untenable.

CONCLUSION

69. In light of the discussion above, the plaintiff has made out a *prima facie* case of infringement as well as passing off. The marks of the plaintiff



‘ALKEM’ and of the defendant ‘ALCHEM’ are phonetically identical and visually and structurally deceptively similar. The plaintiff is the registered proprietor of the mark ‘ALKEM’. The plaintiff is also the prior user, and prior adoptor of the mark ‘ALKEM’ for medicinal and pharmaceutical products. The plaintiff has placed on record sufficient material to establish its goodwill and reputation in the mark ‘ALKEM’, at least at a *prima facie* stage. Admittedly, the defendant started using the mark in 1985, and has no registration in its favour. The defendant began retail sales in India only in the year 2006. The use of the mark ‘ALCHEM’ by the defendant in respect of similar products in India cannot be stated to be honest and *bona fide*.

70. Balance of convenience is in favour of the plaintiff and against the defendant. Irreparable harm and injury would be caused not only to the plaintiff but also to the public at large, if the defendant is permitted to use the said mark, in respect of similar goods, which are in the nature of medicines, having identical and overlapping trade channels, which is likely to cause confusion and deception among the consumers who are ordinary persons of average intelligence and imperfect recollection. It is a settled position of law that a stricter approach has to be adopted by courts while judging the likelihood of confusion between the two competing marks in respect of pharmaceutical products. [please refer ***Cadila Health Care v. Cadila Pharmaceuticals***, (2001) 5 SCC 73].

71. Consequently, the defendant, its directors, executives, partners or proprietors, as the case may be, their officers, servants and agents or any other persons acting for and on their behalf are restrained from selling, manufacturing, offering for sale, advertising, promoting, marketing or in any



manner dealing in any pharmaceutical or medicinal product, under the trademark 'ALCHEM' or any other deceptively similar mark to the plaintiff's mark 'ALKEM'.

72. During the course of oral submissions, counsel for the plaintiff had submitted that the plaintiff would have no objection if the defendant use the mark 'ALCHEM' in respect of APIs for sale in India and abroad. Binding the plaintiff to the aforesaid statement, it is made clear that the interim injunction would not apply in respect of the defendant using the impugned mark 'ALCHEM' in respect of manufacture and sale of APIs in India and overseas, provided the same is not used for retail sales in India.

73. Accordingly, all the aforesaid applications are disposed of.

74. Needless to state, any observations made herein are only for the purpose of adjudication of the aforesaid applications and would have no bearing on the final outcome of the suit.

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75. List before the Roster Bench on 3rd December, 2025.

**AMIT BANSAL, J
(JUDGE)**

OCTOBER 10, 2025

at