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# Hamdard National Foundation (India) and Ors. Vs. Sadar Laboratories Pvt. Ltd.

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**_Abstract_**

*The Hamdard National Foundation (appellants) filed an appeal challenging a Delhi High Court single judge's order. They sought a permanent injunction to prevent Sadar Laboratories (the respondent) from using the trademark 'Sharbat Dil Afza,' which they alleged was similar to Hamdard's registered mark 'Rooh Afza.' The appeal was heard by a Division Bench of the Delhi High Court, consisting of Justices Vibhu Bakhru and Amit Mahajan. During the hearing, the single judge's interim order from December 15, 2020, was discussed. In that order, it was recorded that the respondent had agreed not to manufacture and sell syrups and beverages falling under Class 32 using the disputed trademark 'DIL AFZA' until the final disposal of the case.*

**Keywords:** Rooh Afza, Sharbat Dil Afza, Hamdard being House mark u/s 2 (z)(g) of Trademark Act 1999, brand name/logo/heading, popular mark u/s 2(z), sharbat, confusion

## INTRODUCTION

Sharbats offer a delightful respite from the scorching summer temperatures. These invigorating beverages are created by blending fruit juices, syrups, or extracts with water, and are sometimes enhanced with the addition of herbs or spices for an extra burst of flavor. One such renowned herbal syrup is Rooh Afza, which has attained iconic status in South Asia. Its origins can be traced back to the early 20th century, when Hakim Hafiz Majeed, a respected Unani physician from Ghaziabad, first concocted the recipe.

In a recent development, the makers of Rooh Afza filed an appeal after their application for an interim injunction against Sadar Laboratories Pvt. Ltd., the manufacturers of a competing beverage called Dil Afza, was rejected. The appeal was based on the alleged violation of their trademark rights. A trademark represents a type of intellectual property that includes a range of elements like logos, brands, headings, labels, names, signatures, words, letters, numbers, product shapes, packaging, or combinations of these.

These elements serve the purpose of distinguishing a particular product or service from others available in the market. This case serves as a prime example of how trademark protection is bestowed upon a company by the law.

The appellants in this case were Hamdard National Foundation (India) and others, represented by Praveen Anand, Dhruv Anand, and Udita Patro. On the other hand, Sadar Laboratories Pvt. Ltd. acted as the respondent and was represented by Kirti Uppal Sr. Advocate, N.K. Kantawala, Pravez Sharma, Prakhar Sharma, Riya Gulati, Ikshita Parihar, Amaya Nair, Kunal Khanna, and Swapnil Chaudhary.

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## BACKGROUND

The appellant, a charitable foundation established in 1906, is primarily involved in the production and sale of Unani and Ayurvedic medicines, oils, syrups, and non-alcoholic beverages, among other products. They hold rightful ownership of the trademarks ‘Hamdard’ and ‘Rooh Afza,’ which are used to distinguish a wide range of goods and services offered by the Hamdard Group. On the other hand, the defendant company, Sadar Laboratories Pvt. Ltd., has been engaged in the manufacturing and sale of Unani medicines, syrups, and botanical items since 1949, through its predecessor, M/s. Sadar Dawakhana.

The appellants argue that the trademark ‘Hamdard’ has gained recognition as a house mark for the Hamdard Group and is considered a well-known mark under Section 2(zg) of the Trade Marks Act, 1999. They contend that the mark ‘Rooh Afza’ holds a high reputation and has built substantial goodwill in relation to sharbats, which are non-alcoholic sweet beverages. In 2020, the appellants discovered through a newspaper advertisement that the respondent had introduced a sharbat product bearing the mark ‘Sharbat Dil Afza’. The appellants claim that this trademark is deceptively similar to their own trademark ‘Rooh Afza’. Furthermore, they argue that the trade dress and packaging of the respondent’s product, including the bottle used, are also deceptively similar to their own product. They allege that the respondent’s product is intended to deceive customers, constitutes unfair competition, would dilute the trademark ‘Rooh Afza’, and amounts to passing off. The main point of contention in this case revolves around the trademark ‘Sharbat Dil Afza’ (also referred to as ‘the impugned trademark’).

## ISSUES IN THE CASE

1. Whether the respondent has infringed on the trademark rights of the appellant?
2. Whether the respondent’s trademark would confuse consumers if used for similar products?
3. Whether the respondent’s trademark registration is valid?

## ARGUMENTS

The petitioners and appellants argued:

1. They registered the trademark “Sharbat Rooh Afza” in 1907 for their sweet beverage concentrate. They objected to the respondents’ recent introduction of a similar product called “Sharbat Dil Afza.”
2. They claimed that the second appellant used the “Rooh Afza” trademark for various products, including medicines, syrups, and non-alcoholic beverages, under a license from the first appellant.
3. “Rooh Afza” has a strong reputation and goodwill in the Sharbat category. The appellants heavily invested in marketing, with expenses amounting to 577.8 lakh in 2020, compared to 42.7 lakh in 2009–10.
4. The trademark “Sharbat Rooh Afza” was alleged to be deceptive, as it closely resembled “Sharbat Dil Afza” in name, trade dress, and design (including the bottle).
5. The appellants also cited the triple test method of determining trademark infringement.
    a. *Sound:* The similar sound and phonetics of Sharbat Rooh Afza and Sharbat Dil Afza; Sight—the similar look of both the products, as shown in Figure 1.
    b. *Meaning:* The appellants also highlighted the similarity in meaning, as “Rooh Afza” means refresher/cheering of the soul and “Dil Afza” means cheering of the heart.

The defendant or respondent presented the following arguments:

1. The respondent, Sadar Laboratories Pvt. Ltd, contended that the appellant’s lawsuit is not valid, as the respondent has registered the trademark “Sharbat Dil Afza” under Section 29 of the Trademark Act. They also argued that there is no cause for confusion and, therefore, no cause of action for the appellants.

 

2. The respondent claimed to have been using the trademark since 1949 for their Unani medicines and syrups, and since 2019 for syrups and beverages.
   a. Sharbat Dil Afza 3855931 in syrups and beverages, Class 32 registered and valid up to 10.06.2028.
   b. Sharbat Dil Afza 3878751 in Unani and Medicines, Class 5 registered and valid up to 04.07.2028.
3. The respondent argued that the trademark “Dil Afza” is composed of two Urdu words: “Dil” meaning heart, and “Afza” meaning giver of plenty. They asserted that the appellants have no sole or exclusive right to any part of this trademark.
4. Furthermore, the respondent pointed out that many other individuals and entities use the word “Afza” or composite trademarks containing “Afza” or “Rooh.” Thus, they contended that the use of “Afza” cannot be considered copyright infringement.
5. Regarding the titles “Rooh Afza” and “Dil Afza,” the respondent emphasized that they are used separately by Hamdard and Sadar, indicating dissimilarity. They argued that the words “Dil” and “Rooh” have distinct pronunciations and meanings, leaving no room for confusion. As for the bottles, the respondent humbly stated that they were completely different from the appellant’s bottle.
6. Finally, the respondent claimed that the trademark was advertised in trademark journals, and the appellants did not raise any objections. This lack of objection suggests that the appellants had no issue with the trademark’s use at that time and are now precluded from objecting.


**Figure 1.** The similar looks of two products.

## IMPUGNED ORDER OF THE SINGLE JUDGE

After evaluating the facts, legal provisions, and evidence, the single judge acknowledged the petitioners’ strong reputation in the beverage concentrate market for “Rooh Afza.” The judge emphasized the significance and undeniable reputation of the petitioners’ product, citing relevant legal precedents. The judge clarified that the petitioners have exclusive rights over the trademark “Rooh Afza,” not its individual words, “Rooh” and “Afza.”

Furthermore, the single judge dismissed the alleged similarity between “Rooh” and “Dil.” It was emphasized that there is no possibility of confusion between the meanings of “Rooh” (spirit) and “Dil” (heart).

As stated by Hon. Js. Asha Menon “It would be taking an extreme position, even if the consumers were connoisseurs, to believe that the use of the words ‘Rooh’ and ‘Dil’ would cause confusion because they connote deep emotion. Buying a bottle of sharbat may involve emotions, but not to the extent hoped for by the learned counsel for the plaintiffs. In any case, those who appreciate this deep emotion would be the first to be able to distinguish between 'Rooh' and 'Dil'. However, we are concerned with the common consumer, to whom, in ordinary use of the words, 'Dil' and 'Rooh' do not denote the same thing. There cannot be confusion created on account of the meaning of the two words. This plea raised on behalf of the plaintiffs deserves rejection and is rejected [1]."

**JUDGEMENT OF THE DIVISION BENCH**

The two-judge division bench of Vibhu Bakhru and Amit Mahajan JJ opined on the matter after evaluating the facts and arguments of the attorney and concluded that the *prima facie* commercial trade design of the impugned product was deceptively similar to that of the appellants in the said matter; both the products have a deep red texture of the syrup, and the bottle neck and other trade designs are also found to be similar, which would undoubtedly add to the impression of the product that may be recalled by any consumer....

> *The Hon'ble High Court referred to the landmark case of Vornado, Inc. v. Breuer Electric Mfg. Co12, which the United States Court of Appeal Federal Circuit observed as under;*
> *"Ordinarily, for a word mark, we do not look to the trade dress, which can be changed at any time. But the trade dress may nevertheless provide evidence of whether the word mark projects a confusingly similar commercial impression."*
> *Furthermore, the bench noted the deep similarity in the names of both the products, Rooh Afza and Dil Afza when used in conjunction produce a similar phoenitics; also, the bench observed the word "Afza" as an integral part of both trademarks, and found that the said word is not descriptive of the product. It was also undermined that "words with a similar meaning or a close connection may leave mental impressions that may lead one to confuse one with the other. It would thus be relevant to hold forth whether there is any close relation between the meaning of the Rooh and Dil."*

In para 28 of the said judgement, the Hon'ble High Court of Delhi also sought the three tests of similarity—sound, sight, and meaning—and found it sufficient to arrive at a conclusion about the similarity of a product.

In the landmark case of Polaroid Corp. v. Polarad Elecs. Corp. MANU/FESC/0209/1961: 287 F.2d 492 (2d Cir. 1961), the United States Court of Appeals considered the below factors to determine the confusion and similarity amongst products:

> *"Where the products are different, the prior owner's chance of success is a function of many variables: the strength of his mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, and the reciprocal of the defendant's good faith in adopting its own mark, the quality of the defendant's product, and the sophistication of the buyers."*

The Court was of the position that the appellant's mark required a high degree of protection, and it was very essential to make certain that the competitors kept a safe distance from the said mark. As a result, the Court overturned the single judge's order and affirmed that the previous interim order was unconditional and would remain in effect until the case was resolved. Furthermore, the Court instructed the respondents not to produce or sell any products falling under Class 32 under the contested trademark 'Dil Afza' until the lawsuit's conclusion.

**SUPREME COURT'S VIEW**

The Hon'ble Supreme Court rejected an appeal by Dil Afza sharbat manufacturers, upholding the Delhi High Court's decision to restrict its sale. The trademark infringement suit, filed by the Hamdard

Foundation, argued that Dil Afza resembled their popular Rooh Afza sharbat and was misleading. The Apex Court, led by Chief Justice DY Chandrachud, along with Justices PS Narasimha and Justice Pardiwala, agreed with the high court's ruling, acknowledging Rooh Afza's strong reputation. The court stated, "The Division Bench has made the correct decision, and we will not interfere." Thus, Dil Afza's sale remains restrained due to its deceptive similarity to Rooh Afza.

## WHAT IS TRADEMARK IN A NUTSHELL?

A trademark (popularly known as the name of a brand in layman's terms) can be in the form of a visual symbol, figure, or alphabet, which may be in the form of a word to indicate the source of the goods, a signature, name, device, label, numerals, or combination of colors used, or services, or other articles of commerce to make it look, spell, or appear in different forms from other similar/or not-so-similar goods or services originating from another. A trademark is a unique symbol that distinguishes particular goods or services as the exclusive creation or provision of a specific individual or business, setting them apart from any others. The idea of using trademarks is not a recent one; its roots can be traced back to ancient times when craftsmen would imprint their names, signatures, or distinctive symbols on their artistic or practical products as a way to identify them or represent themselves. As the years passed and the modern concept of creativity protection came into being with the WTO's TRIPS agreement of 1995, these old recognition marks evolved into today's system of trademark registration and protection [2]. This system aids consumers in recognizing and buying a product or service that aligns with their requirements and expectations regarding its nature and quality, as signaled by its distinct trademark.

Trademarks incentivize innovation, the skill of the human mind, or the work of intellect and entrepreneurship while preventing unfair competition and counterfeit products with such intelligence or human mind work. By protecting distinctive signs, symbols, or wordings which represent a human mind skill or human work, trademarks reward owners with recognition and financial gain for the investment they made in the intellectual work. This system fosters fair conditions for skilled individuals to produce and trade goods/services, facilitating international commerce. Infringement occurs when someone unfairly exploits or diminishes the unique identity of a trademark. The Trade Mark Act of 1999 expands the definition of infringement, outlining various actions considered infringement in Section 29. This section specifically addresses the infringement of registered trademarks, which is explained hereunder:

Section 29 lays down that when a trade mark that is registered is used by a restricted person who is not entitled to use such a trade mark or not permitted by the holder or owner of the said trade mark or under the law, it constitutes infringement. Sec. 29 clearly states that a registered trade mark is infringed when the mark is identical and is made in use in respect of similar goods or services or the mark is visually similar to the registered mark and there is an identity or similarity of the goods or services covered by the registered mark and the one using the said mark; or the trade mark is identical and is used in relation to identical goods or services; and that such use is going or likely to cause confusion on the part of the consumer or is likely to be taken to have an association with the registered trade mark and the products or services, it is associated with or protecting the same [3]. Sub-section (4) states that a person shall be considered to have infringed a registered mark, if he uses a mark which is or is nearly identical with or similar to the trade mark which is registered, and is used in relation to goods or services which are not similar to those for which the trade mark is registered; and the registered trade mark has a reputation in India; and the use of the mark without due cause would take unfair advantage of or is detrimental to the distinctive character or repute of the registered trade mark. Sub-section (5) prohibits a person from using someone else's trade mark as his trade name, name of his business concern, or part of the name of his business concern dealing with goods or services in respect of which trade mark is registered [4]. A person shall be deemed to have used a registered trade mark in circumstances which include affixing the mark to goods or packaging, offering or exposing the goods for sale or supply of services, importing or exporting the goods, using the trade mark as trade name or trade mark on business paper or in advertising. A person shall also be deemed to have infringed a registered trademark if he applies such registered trade mark to a material intended to be used for labeling or packaging goods as a business paper, or for advertising goods or services knowing that the application of such a mark is not authorized by the proprietor or licensee. Advertising of a trademark to take unfair advantage of, or against honest industrial or commercial practices or which is detrimental to the distinctive character or is against the reputation of the trademark shall constitute an infringement under Section 29(8) of the Act. Where the distinctive element of a registered trademark consists of words, the spoken use of such words as well as visual representation for promoting the sale of goods or promotion of service would constitute infringement under Section 29(9) of the Act [5]. The infringement action is a statutory remedy available to the registered proprietor or to the registered user, based on statutory rights conferred by registration of a trade mark, subject to the other restrictions laid down in Secs. 30, 34, 35 of the 1999 Act. An infringement action is available to the registered proprietor or registered user or owner of the said registered trademark or holder of a registered trademark to enforce his exclusive right over the trade mark in relations to the goods or services to which it is registered or which are related. If, at the time of registration of the trade mark, certain limitations or bars have been imposed, then the exclusive right has to be estimated within the terms of such registration.

## INFRINGEMENTS AND RELIEFS WHICH CAN BE SOUGHT

### Civil Litigation

A suit may be filed for a infringement of trademark under the Trade Marks Act, 1999, but that also depends on the status of the trademark, i.e., unregistered, pending registration, or registered.

#### *Venue and Jurisdiction*

The suit can be filed in either the district court or civil court and can be appealed later to the high court and further to the Supreme Court, based on the suit's valuation. It can be filed where the rightful holder resides, works for gain, or conducts his or her business [6].

#### *Elements of a Complaint*

The holder must showcase that (a) the alleged act of infringement of a mark identical or similar to his/her trademark, (b) the infringing representation is used in connection with goods or services, causing confusion about the origin or to make confusion among the consumer with regard to the genuine producers or with regard to goods or services of original holder and infringer, and (c) the act interfered with the holder's exclusive use or caused economic loss or to get economic gain by using the registered trademark [7]. Section 135 allows the court to grant relief in the form of an injunction, damages, or an account of profits, and the delivery of infringing labels and marks for destruction or erasure, as per the plaintiff's choice [8].

#### *Ex-parte Interim Injunction*

In most of the cases pertaining to trademark infringment, Indian courts will or shall grant ex-parte interim injunctions. as IPR infringement is such a crime which will cost the entire economy to the holder of the IPR [9]. An ex-parte interim injunction is a temporary injunction granted without any notice to the infringer, restraining or stopping him from using the infringing mark during the pendency of the trial. Such an injunction is generally granted at the early stages of the trial and many times on the first day of hearing itself, provided that the trademark holder is able to establish his or her rights before the court and prove the gravity of the offence, which merits immediate consideration. An interlocutory order for any of the following matters namely: (a) for document disclosure; (b) preserving infringed property can also be passed like goods and/or documents and/or other evidence which are related to the subject-matter of the suit; (c) restraining/stopping the defendant/infringer from disposing of or dealing with his/her assets in a manner which may adversely affect the plaintiff's ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff [10]. However, the courts are restrained from granting relief by way of damages (other than nominal damages) or on account of profit in any case where the infringement complained of relates to certification mark or collective mark or where the defendant satisfies the court that when he/she used the said questioned mark, he/she had no knowledge or was unaware or had no reasonable ground of belief that the questioned mark is registered one and when he came to know of existence and nature of plaintiffs right over said trademark, he stopped the use of the trademark. The distinction between a suit based on infringement and that based on passing off was explained by the Supreme Court in Kaviraj Pandit Durga Dutt Sharma v. Navaratna Pharmaceutical Laboratories [11]. It was explained that:

> "*While an action for passing off is a common law remedy being in substance an action for deceit, that is, a passing off by a person of his own goods as those of another, that is not the gist of an action for infringement. The action for infringement is a statutory remedy conferred on the registered proprietor of a registered trade mark for the vindication of the 'exclusive right' to the use of the trade mark in relation to those goods. The use by the defendant of the trade mark of the plaintiff is not essential in an action for passing off but is the sine qua non in the case of an action for infringement.*

It was further noticed that:

> *"Where the evidence in respect of passing off consists merely of the colorable use of a registered trade mark, the essential features of both actions might coincide, in an action for infringement, the plaintiff must, no doubt, make out that the defendant's mark is so close either visually, phonetically or otherwise, and the Court should reach the conclusion that there is an imitation" in which event it would be established that the plaintiff's rights are violated. The grant of an injunction is a right expressly provided by the Trade Marks Act, 1999. The rules governing the grant of injunctions in trade mark cases are based on the provisions contained in Sections 36 to 42 of the Indian Specific Relief Act, 1963, and Order 39 Rules 1 and 2 read with Section 151 of the Code of Civil Procedure (Century v. Roshanlal [12]).*

**CONCLUSION**

From the given case, we can easily understand the importance of being old and/or having a house mark or popular mark under Section 2 of the Trade Mark Act 1999, and the level of protection it receives in the eyes of the law. When infringement of such well-known marks which have been in the hearts of customers for ages, 'Rooh Afza' which is in the market prior to the independence of Bharat which is established in the year 1906, now some competitors in the market come with a name similar to such old mark and famous mark for a particular product like sharbat which is consumed in Bharat a lot and Rooh Afza which is a slag word or an alternative word used for sharbat in the household can raise questions in minds of the consumers. When a similar-named product in the same category makes its appearance in the market, the consumer may get confused about a newer version or new variant of the old famous product. So it is very important for the Hon'ble courts to restraint such competitors from mimicking original/famous products which infringes the mark of the holder, here when 'Sharbat Dil Afza'; came into the market, any prudent consumer may get confused with the 'Hamdard Rooh Afza' which is very famous sharbat around Bharat, hence whenever cases like above gets before Hon'ble courts of Bharat, the courts shall keep in mind the observation made in the above case as in this case crystal analysis pertaining to house mark/popular mark, and infringement of the same is made out.

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