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*	IN THE HIGH COURT OF DE	LHI AT NEW DELHI
	I	Reserved on:- 16 <sup>th</sup> October, 2023.
	D	ate of Decision:- 2 <sup>nd</sup> April, 2024.
+	C.O. (COMM.IPD-TM	I) 667/2022
+	CS (OS) 2408/1985 and I.A	A. 11856/2023
+	W.P.(C)-IPD 28/2021 & CM	APPL. 20/2021
+	W.P.(C)-IPD 29/2021 & CM	APPL. 25/2021
+	W.P.(C)-IPD 31/2021 & CM	APPL. 22/2021
+	W.P.(C)-IPD 32/2021 & CM	APPL. 21/2021
+	W.P.(C)-IPD 33/2021 & CM	APPL. 24/2021
+	W.P.(C)-IPD 34/2021 & CM	APPL. 23/2021
+	W.P.(C)-IPD 35/2021 & CM	APPL. 27/2021
+	W.P.(C)-IPD 36/2021 & CM	APPL. 19/2021
+	W.P.(C)-IPD 38/2021 & CM	APPL. 26/2021
+	W.P.(C)-IPD 39/2021 & CM	APPL. 18/2021
M/S.	P.M. DIESELS P. LTD.	PETITIONER
	versus	

# M/S. THUKRAL MECHANICAL WORKS & ORS.

..... RESPONDENTS

#### AND

# + CS (COMM) 473/2016 & I.A.8865/2022

#### SUMITA RANI PROP.THUKRAL MECH. WORKS ..... Plaintiff versus NITIN MACHINES TOOLS AND ORS. ..... Defendants

#### **Appearances:**

Mr. N. Mahabir, Ms. Noopur Biswas & Mr. P.C. Arya, Advocates (M: 9166036065) for Petitioners.

Mr. Hemant Singh, Mr. Sachin Gupta, Mr. Ajay Kumar, Ms. Yashi Agrawal, Ms. Swati Meena, Ms. Gaurangi Sharma & Mr. Rohit Pradhan, Adv. (M: 9811180270)

Mr. Harish V. Shankar, CGSC with Mr. Srish Kumar Mishra, Mr. Sagar Mehlawat, Mr. Alexander Mathai Paikaday, Advocates for CGPDTM





# CORAM: JUSTICE PRATHIBA M. SINGH

# **JUDGMENT**

# Prathiba M. Singh, J.

The present judgement deals with 13 proceedings including two civil suits, one rectification petition and 10 writ petitions which are disposed of by a common judgement. The contents of the judgement are divided in the following sections:

Section A	Background	Paras 1-26
Section B	Submissions of parties	Paras 27-54
Section C	Discussion & Analysis of Evidence	Paras 55-63
Section D	Findings on Issues & Relief	Paras 63-153
Section E	Summary of conclusions	Paras 154-161

# A. <u>Background</u>

1. The present suits being *CS* (*OS*) 2408/1985 and *CS*(*COMM*) 473/2016 and also the other petitions relate to the trade mark 'FIELDMARSHAL'/ 'FIELD MARSHAL'. The earliest suit titled '*M*/s. *P.M. Diesels Pvt. Ltd. v. Thukral Mechanical Works*' in respect of the said mark is *Suit No.* 2408/1985, which was originally instituted before this Court and was, thereafter, vide orders dated 31<sup>st</sup> July, 2003 and 15<sup>th</sup> September, 2003, transferred to the Karkardooma District Court, due to the increase in





pecuniary jurisdiction of the High Court. Vide order dated 12<sup>th</sup> May, 2022, the said suit was transferred by this Court and tagged along with *CS* (*COMM*) *473/2016*.

2. In all these proceedings, the dispute relates to the trade mark 'FIELDMARSHAL'. Primarily, there are two parties which are as under:

- i) The Plaintiff P.M. Diesels Pvt. Ltd. referred to *as 'P.M. Diesels'*
- ii) The Defendant-M/s.Thukral Mechanical Works, which is a proprietary concern of Mrs. Sumita Rani Thukral referred to as *'Thukral'*.

3. The details of the proceedings which have been heard, and in which the present judgment is being pronounced are as follows:

S.No	Suit/	Lis
	Petition no.	
1.	Suit No. CS (OS)	This is a suit filed by P.M. Diesels against
	2408/1985	Thukral Mechanicals Works seeking
	P.M. Diesels Pvt.	injunction against the use of the mark
	Ltd. v. Thukral	'FIELDMARSHAL' or any other mark
	Mechanicals Works.	deceptively similar to the Plaintiff's mark
		'FIELDMARSHAL' bearing registration
		no. 224879 in class 7. The Plaintiff also
		seeks an injunction restraining the
		Defendant from passing off diesel oil
		engines, and parts thereof such as pumps
		and electric motors etc. under the mark
		'FIELDMARSHAL'.
		In this suit, P.M. Diesels claims that it is
		the proprietor of the following
		registrations:
		• Trade mark bearing no. 224879 for
		the word 'FIELDMARSHAL' in





	1	
		<ul> <li>class 7 dated 16<sup>th</sup> October, 1964. This mark was advertised in the Trade Marks Journal No. 380 dated 1<sup>st</sup> April, 1965. Use is claimed since 1963.</li> <li>Trade mark bearing no. 252070 for the mark 'FIELDMARSHAL' written in a particular style, in class 7 dated 4<sup>th</sup> October 1968. This mark was advertised in Trade Marks Journal No. 520 dated 1<sup>st</sup> December, 1971. Use is claimed since 1963</li> <li>Trade mark bearing no. 252071B for the word 'FIELDMARSHAL' in class 7 dated 4<sup>th</sup> October 1968. This mark was advertised in the Trade Marks Journal No. 525 dated 16<sup>th</sup> April, 1971. Use is claimed since 12<sup>th</sup> August, 1965.</li> </ul>
2.	CS(OS) 3804/1992 [renumbered CS(Comm) 473/2016] Sumita Rani v. Nitin Machine Tools Pvt. Ltd., Popular Machinery Store, M/s. P. M. Diesels Pvt. Ltd.	This is a suit by Sumita Rani seeking permanent injunction to prevent the Defendants-Nitin Machine Tools Pvt. Ltd., Popular Machinery Store, and P.M. Diesels from using the trade mark 'FIELDMARSHAL' or any other mark that is identical or deceptively similar to the Sumita Rani's registered trade mark no. 228867 dated 13 <sup>th</sup> May, 1965 in class 7, advertised in Trade Marks Journal No. 406, dated 1 <sup>st</sup> May, 1966. User is claimed since January, 1963. This trade mark was earlier registered by M/s.
		Jain Industries and Sumita Rani Thukral obtained assignment of the mark on 17 <sup>th</sup> June, 1986, after the filing of the 1985 suit





		i.e. 18 <sup>th</sup> December, 1985.
3.	C.O. No. 6/1987 [renumbered as C.O. (COMM.IPD-TM)- 667-2022]	Cancellation petition filed by P.M. Diesels Pvt. Ltd. seeking cancellation of the registration in favour of Thukral Mechanical Works bearing no. 228867 in class 7 dated 13 <sup>th</sup> May, 1965.
	P. M. Diesels Pvt. Ltd. v. Thukral Mechanical Works & Registrar of Trade Marks	This cancellation petition had been dismissed for non-prosecution vide order dated 28 <sup>th</sup> January, 2021 but was restored by this Court vide order dated 12 <sup>th</sup> May, 2022.
4.	W.P.(C)-IPD 28/2021	The present petition challenges order dated 11th February, 2005, passed by the erstwhile IPAB.
	M/s. P.M. Diesels Pvt Ltd v. Thukral Mechanical Works, Asst. Registrar of Trade Marks	The said order of the IPAB dismissed P.M. Diesel's appeal against the decision of the Assistant Registrar of Trade Marks, Ahmedabad, dated 12 <sup>th</sup> August, 1992, refusing the registration of P.M. Diesel's trade mark 'FIELDMARSHAL' vide application no. 423262 dated 16 <sup>th</sup> June, 1984 in class 7.
5.	W.P.(C)-IPD 29/2021 M/s. P. M. Diesels Pvt. Ltd. v. M/s. Thukral Mechanical Works, Asstt. Registrar of Trade Marks	The present petition challenges order dated 11th February, 2005, passed by the erstwhile IPAB. The said order of the IPAB dismissed P.M. Diesel's appeal against the decision of the Assistant Registrar of Trade Marks, Ahmedabad, dated 12 <sup>th</sup> August, 1992, refusing the registration of P.M. Diesel's trade mark 'FIELDMARSHAL' vide application no. 423264 dated 16 <sup>th</sup> June, 1984 in class 7.
6.	W.P.(C)-IPD	The present petition challenges order dated





	21/2021	
	31/2021	11th February, 2005, passed by the erstwhile IPAB.
	M/s. P. M. Diesels	
	Pvt. Ltd. v. M/s.	The said order of the IPAB dismissed P.M.
	Thukral Mechanical	Diesel's appeal against the decision of the
	Works, Asstt.	Assistant Registrar of Trade Marks,
	Registrar of Trade	Ahmedabad, dated 12 <sup>th</sup> August, 1992,
	Marks	refusing the registration of P.M. Diesel's
	<i>IVIUI</i> KS	trade mark 'FIELDMARSHAL' vide
		application no. 423260 dated 16 <sup>th</sup> June,
-		1984 in class 7.
7.	W.P.(C)-IPD 32/2021	The present petition challenges order dated
	32/2021	11th February, 2005, passed by the erstwhile IPAB.
	M/a D M Diagola	erstwille IPAD.
	M/s. P. M. Diesels Pvt. Ltd. v. M/s.	The said order of the IPAB dismissed P.M.
	Thukral Mechanical	
		Diesel's appeal against the decision of the
	Works, Asstt. Pagistran of Trada	Assistant Registrar of Trade Marks, Ahmedabad, dated 12 <sup>th</sup> August, 1992,
	Registrar of Trade Marks	<b>C</b>
		refusing the registration of P.M. Diesel's trade mark 'FIELDMARSHAL' vide
		application no. 423259 dated 16 <sup>th</sup> June,
		1984 in class 7.
		1964 III Class 7.
8.	W.P.(C)-IPD	The present petition challenges order dated
	33/2021	11th February, 2005, passed by the
		erstwhile IPAB.
	M/s. P. M. Diesels	
	Pvt. Ltd. v. M/s.	The said order of the IPAB dismissed P.M.
	Thukral Mechanical	Diesel's appeal against the decision of the
	Works, Asstt.	Assistant Registrar of Trade Marks,
	Registrar of Trade	Ahmedabad, dated 12 <sup>th</sup> August, 1992,
	Marks	refusing the registration of P.M. Diesel's
		trade mark 'FIELDMARSHAL' vide
		application no. 423267 dated 16 <sup>th</sup> June,
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		1984 in class 7.
9.	W.P.(C)-IPD	1984 in class 7. The present petition challenges order dated





	erstwhile IPAB.
M/s. P. M. Di Pvt. Ltd. v. Thukral Mechan Works, A Registrar of T Marks	<ul><li><i>M</i>/s. The said order of the IPAB dismissed P.M.</li><li><i>nical</i> Diesel's appeal against the decision of the Asstt. Assistant Registrar of Trade Marks,</li></ul>
10 W.P.(C)-IPD 35/2021 M/s. P. M. Di Pvt. Ltd. v. Thukral Mechan Works, A Registrar of T Marks	<i>M/s.</i> The said order of the IPAB dismissed P.M. <i>nical</i> Diesel's appeal against the decision of theAsstt.AssistantRegistrar ofTradeMarks,
Thukral Mecha	<i>M</i> /s. <i>nical</i> The said order of the IPAB dismissed P.M. <i>Asstt.</i> Diesel's appeal against the decision of the
12. W.P.(C)-IPD	The present petition challenges order dated





38/2021	11th February, 2005, passed by the erstwhile IPAB.
M/s. P. M. Diesels	
Pvt. Ltd. v. M/s.	The said order of the IPAB dismissed P.M.
Thukral Mechanical	Diesel's appeal against the decision of the
Works, Asstt.	Assistant Registrar of Trade Marks,
Registrar of Trade	Ahmedabad, dated 12 <sup>th</sup> August, 1992,
Marks	refusing the registration of P.M. Diesel's
	trade mark 'FIELD MARSHAL' vide
	application no. 423258 dated 16 <sup>th</sup> June,
	1984 in class 7.
13 W.P.(C)-IPD	The present petition challenges order dated
39/2021	11th February, 2005, passed by the
M/s. P. M. Diesels	erstwhile IPAB.
Pvt. Ltd. v. M/s.	
Thukral Mechanical	The said order of the IPAB dismissed P.M.
Works, Asstt.	Diesel's appeal against the decision of the
Registrar of Trade	Assistant Registrar of Trade Marks,
Marks	Ahmedabad, dated 12 <sup>th</sup> August, 1992,
	refusing the registration of P.M. Diesel's
	trade mark 'FIELDMARSHAL' vide
	application no. 423263 dated 16 <sup>th</sup> June,
	1984 in class 7.

## Proceedings in Civil Suit (OS) 2408/1985

4. This was the first proceeding between the parties filed way back in 1985, wherein P.M. Diesels sought an injunction against Thukral Mechanical Works using the mark 'FIELDMARSHAL' in relation to goods falling under class 7. According to the plaint, the cause of action for filing the present suit began in June 1982 when P.M. Diesels became aware of Thukral's application for the registration of the mark 'FIELDMARSHAL'. P.M. Diesels responded promptly by issuing a legal notice on 29<sup>th</sup> June, 1982. As per the plaint, at that time, Thukral's products under the said mark were not yet available in the





market. When Thukral's application for the mark 'FIELDMARSHAL' bearing no. 363764 dated 14<sup>th</sup> July, 1980 was advertised in the Trade Mark Journal No. 827 on 16<sup>th</sup> November, 1983, P.M. Diesels opposed it vide Opposition No. DEL-4109 dated 7<sup>th</sup> April, 1984, noting that the mark was still not in practical use by Thukral. Thereafter, the plaint avers that in December 1985, Thukral obtained or secured a nameplate from the market on 17<sup>th</sup> December, 1985, under the mark 'FIELDMARSHAL'. Vide order dated 19<sup>th</sup> December, 1985, an *ex-parte ad-interim* injunction was granted in the following terms:

# "<u>I.A. 7329/85.</u>

Notice for April 8, 1986.

Meanwhile, a temporary ex parte injunction is issued against the defendants restraining them from manufacturing or selling either themselves or through any dealer or representative diesel oil engines or parts thereof with the trade mark, 'Field Marshal' and/or any other trade mark identical therewith and all goods, falling in Clause 7 of the Trade and Merchandise Mark Rules. The plaintiff shall comply with the requirements of Order 39 Rule 4 of the Code of Civil Procedure"

5. In the meantime, a cancellation petition being *C.O. No. 6/1987* titled *'P.M. Diesels Pvt. Ltd. v. Thukral Mechanical Works'* was filed by P.M. Diesels against M/s. Jain Industries, under Sections 46, 56 and 107 of the Trade and Merchandise Marks Act, 1958 *(hereinafter, '1958 Act')* seeking cancellation of trade mark registration bearing no. 228867 in class 7 in respect of the same mark. This mark was later assigned on 17<sup>th</sup> June 1986, by M/s. Jain Industries to Thukral.

6. Vide order dated 16<sup>th</sup> September, 1987, *C.O. No. 6/1987* was directed to be listed along with the 1985 suit. In addition, records of the Opposition





No. DEL-4109 to application no. 363764 in class 7 were also summoned from the Registrar of Trade Marks. Vide judgment dated 19<sup>th</sup> January, 1988, the *exparte* injunction was vacated in the following terms:

"For the aforesaid reasons, I do not find any case being made out for restraining the defendants from using their registered trade mark during the pendency of the suit, I accordingly vacate the interim injunction already granted and permit the defendants to use their registered trade mark, but subject to these conditions :- (a) Defendants will not use the logo/style of the word "Field Marshal" of which logo and style the plaintiff is the proprietor under the Copyright Act.

(b) Defendants shall mention the name of the defendant firm, Thukral Mechanical Works, Sirhind on each and every centrifugal pump manufactured by them and sold in the name of "Field Marshal",

(c) The defendants stall maintain proper accounts of the sale of centrifugal pumps under the trade mark "Field Marshal" and shall file them in Court as and when directed. The, applications are accordingly disposed of. There will be no orders as to costs."

- 7. On 5<sup>th</sup> April, 1994, the following issues were framed in the 1985 suit:
  - "1. Whether the suit is barred on account of acquiescence, latches and delay? OPD
  - 2. Whether this Hon'ble Court has got territorial jurisdiction to the present suit? OPP
  - 3. Whether the goods of the defendant under the trade mark 'FIELDMARSHAL' are being passed off, as the goods of the plaintiff? OPP
  - 4. Whether the defendant has infringed the registered copyright of the plaintiff? If so its effect? OPP
  - 5. Whether the plaintiffs are entitled to rendition of accounts as claimed in the plaint? OPP
  - 6. Whether there is misrepresentation of facts on the part of the plaintiff? If so, to what effect?





OPD

 Whether the plaintiff is the proprietor of the trade mark 'FIELDMARSHAL' in question and a has the right of exclusive use thereof in respect of centrifugal pumps or any other goods in the same class of goods and of the same description? OPP
 Relief."

8. Vide orders dated 7<sup>th</sup> July, 1995 and 4<sup>th</sup> December, 1995, in view of the fact that the list of witnesses filed by P.M. Diesels and Thukral were common in the suit as well as in the cancellation petition, the Court directed that the evidence in both the proceedings be recorded together.

9. On 20<sup>th</sup> September, 2006, the suit was stayed till the final disposal of the Special Leave Petition (*'SLP'*) filed before the Supreme Court arising out of the cancellation petition being *C.O. No. 6/1987* seeking cancellation of Thukral's registration. After 2<sup>nd</sup> August, 1987, the matter was again restored and clubbed with all the connected matters on 31<sup>st</sup> May, 2022. Vide order dated 8<sup>th</sup> March, 2022 passed in *CS(OS) 3804/1992 [renumbered as CS (Comm) 473/2016], Suit No. 2408/1985* was consolidated with all the other matters, and was accordingly transferred to this Court in terms of Rule 26 of the Delhi High Court Intellectual Property Division Rules, 2022. Evidence *qua* the suit *Suit No. 2408/1985* was led primarily in the cancellation petition being *C.O. 6/1987*.

# Proceedings in C.O. No. 6/1987

10. In the present cancellation petition filed by P.M. Diesels, rectification of the mark 'FIELDMARSHAL' bearing registration no. 228867 dated 13<sup>th</sup> May, 1965 in class 7 registered in the name of Thukral Mechanical Works is





sought. The said cancellation petition was primarily filed on the ground that the said mark was wrongly registered in the Trade Marks Register by M/s. Jain Industries, under the provisions of the 1958 Act. According to P.M. Diesels, M/s. Jain Industries falsely claimed that they were the owners/proprietors of the mark 'FIELDMARSHAL' mark for circulation or centrifugal pumps, despite having never used it for those products. Thus, the said mark was registered without a genuine intention to use it for the specified products (circulation/centrifugal pumps), and since there hasn't been any real use of the said mark by the registered proprietors for more than five years up to a month before filing the said cancellation, the said mark ought to be cancelled or rectified according to Section 46(1) of the 1958 Act.

11. According to P.M. Diesels, the use of the said mark by Thukral would cause confusion and deception among the public and within the trade, and thus deserves to be rectified, as the centrifugal pumps or circulation pumps under the impugned mark 'FIELDMARSHAL' are likely to be mistaken for those of P.M. Diesels'.

12. Further, it is argued by P.M. Diesels that the assignment of the said mark by M/s. Jain Industries and its recordal by Registrar of Trade Marks in the name of Thukral is invalid, and contrary to the provisions of the 1958 Act. This is primarily because M/s. Jain Industries, Agra, was not in existence and had ceased to exist when the said mark was assigned. According to the cancellation petition, the assignment is merely an instrument and abuse of the legal process to allow one infringer to continue the infringement of another's legal and vested rights in a mark and to defeat the ends of justice. The entry relating to the said mark and its assignment was wrongly made and thus, continues to be wrongly exist on the Register of Trade Marks.





13. Vide order dated 27<sup>th</sup> October, 2004, the cancellation petition was dismissed. The matter was carried in appeal to the ld. Division Bench of the Delhi High Court, which reversed the judgment of the erstwhile IPAB, vide order dated 18<sup>th</sup> January, 2006. However, the Supreme Court, vide order dated 18<sup>th</sup> December, 2008, set aside the order of the ld. Division Bench and remanded the matter back to the IPAB. The said order of the Supreme Court reads as under:

"29. The second contention of Mr. Sudhir Chandra that the appellant was an infringer of the trade mark is again a question of fact. The right of the first respondent as a proprietor of the trade mark by reason of a long user is required to be determined vis-a-vis M/s. Jain Industries as also the appellant in the suit filed by it which is pending. The Board could not, while exercising its iurisdiction under Section 46(1)(b), of the Act proceeded on the basis of such presumption. It is not correct that no cause of action survived against Jain Industries. It was not lost by reason of assignment as was contended by the learned counsel. In the suit, only the competing right of the first respondent qua the appellant can be determined and not a right against M/s. Jain Industries. Such a right cannot be determined in a proceeding under Section 46(1)(b) of the Act which is restricted to non-user of the registered trade mark. Both the appellant and the respondent No.1 were the infringers of the right of M/s. Jain Industries as it was the registered proprietor of the trade mark in respect of the goods in question, namely, centrifugal pumps.

30. Two interpretations of the said provision Section 46(1)(b) are possible. While interpreting the same, however, certain basic principles of construction of statute must be kept in mind. As it takes away somebody's right, it deserves strict construction. Jurisdiction of the Board being dependent on determination of the foundational facts, the same was





required to be established on the basis of the averments made in the application and not otherwise. The right of a registered trade mark is not lost automatically on the expiry of five years and one month. It does not provide for a `sun set' law. It has to be adjudicated upon. Whether the registered proprietor of the trade mark had taken recourse to trafficking or not must be determined in an appropriate proceeding. The principle of `purchaser of a property has a duty to make enquiries', therefore, cannot apply in a case of this nature. So long as the right to assign a registered trade mark remains valid, once the same is validly assigned, the assignee derives the same right as that of the assignor in terms of the statute. A title to a trade mark derived on assignment as provided for under the Act cannot be equated with a defective title acquired in any other property as admittedly on the date of assignment, the right of the registered trade mark was not extinguished.

31. Both the findings of the High Court which we have noticed hereinbefore are findings on question of law and in that view of the matter the contention of Mr. Sudhir Chandra that the merit of the matter is yet to be gone into by the Board cannot be a ground for ignoring the submissions made at the bar.

33. We do not think that the approach of the learned author is entirely correct. An assigner can transfer only such right which he possesses. If his title is not extinguished by reason of a provision of a statute for non-user of the trade mark for a period of five years, any assignment made shall be valid subject to such situation which we have noticed in paragraph 25 supra.

34. For the views we have taken, we are of the opinion that the impugned judgment cannot be sustained. It is set aside accordingly. The Board shall, however proceed to determine afresh the application filed by the





# first in the light of the legal principles explained above."

14. The matter thereafter remained pending before the erstwhile IPAB. Vide order dated  $27^{\text{th}}$  January, 2011, an application for impleadment of M/s. Jain Industries was considered by the IPAB. Vide the said order, the prayer for impleadment of M/s. Jain Industries was rejected. The said order was challenged before the Delhi High Court in a writ petition bearing no. *W.P.(C)* **4846/2011.** The said writ petition was disposed of on 9<sup>th</sup> October, 2020.

15. Thereafter, vide order dated 12<sup>th</sup> May, 2022, *C.O. No. 6/1987* was directed to be heard along with *Suit No. 2408/1985*. The relevant portion of the said order reads as follows:

"9. Post the enactment of The Tribunals Reforms Act, 2021 all cancellation petitions are to be now heard by the High Court. The Delhi High Court has constituted the Intellectual Property Division for hearing these matters. Considering the fact that CO No.6/1987 was consolidated with Suit No.2408/1985, it is directed that the records of the said cancellation petition be also called from IPAB. The same may be registered as a cancellation petition in the IP Division and be listed along with the present batch of matters."

16. Common evidence was led in the said suit and in the cancellation petition. Oral evidence of the following witnesses was led:

PW-1	Mr. J.R. Vekaria
PW-2	Mr. Chandra Kant Popat Lal Patel
<i>PW-3</i>	Mr. Karam Chand Aneja/Mr. K.C. Aneja
<i>PW-4</i>	Mr. Shiv Avtar Gupta





<i>PW-5</i>	Mr. Ram Dhan Aneja/Mr. R.D. Aneja				
PW- 6	Mr. Rajender Kumar				
DW-1	Mr. Sushil Thukral				
<i>DW-2</i>	Mr. Faqueer Chand, dealer of M/s.Thukral				
	Mechanical Works				
<i>DW-3</i>	Mr. Padam Chand, dealer of M/s.Thukral				
	Mechanical Works				

## Proceedings in Suit No. 3804/1992 [renumbered as CS (Comm) 473/2016]

17. In this suit, according to Thukral, it had been manufacturing and selling centrifugal pumps since 1973, and in that year, it had genuinely adopted the said mark 'FIELDMARSHAL' for pumps and their parts. According to Thukral. despite its long-standing use and registration of the 'FIELDMARSHAL' mark under registration no. 228867, M/s. Nitin Machine Tools Pvt. Ltd. and its associated agent or dealer, began using the identical mark 'FIELDMARSHAL' for centrifugal pumps and parts, infringing Thukral's exclusive rights to the said mark.

18. As per Thukral's suit, the 'FIELDMARSHAL' mark, registered under no. 228867 dated 13<sup>th</sup> May, 1965, was initially granted in the name of Mr. Pooran Chand Jain and Mr. Kailash Chand Jain (or Mr. K.C. Jain) of M/s. Jain Industries in Agra. The said mark, along with the business' goodwill, was later assigned vide assignment deed dated 30<sup>th</sup> May, 1986 to Mr. Ganga Ram, Anil Kumar (HUF), Sunil Kumar, and Sumita Rani, who traded as Thukral Mechanical Works in Sirhind, Punjab. Following a request form filed on 17<sup>th</sup> June, 1986, the Registrar of Trade Marks approved the change, and the assignees were listed as the new proprietors of the said mark





## 'FIELDMARSHAL'.

19. Subsequently, the business structure of Thukral Mechanical Works changed. Anil Kumar (HUF) retired, and the remaining partners, Ganga Ram, Sunil Kumar, and Sumita Rani, assumed full ownership of the firm's assets and liabilities starting from 1<sup>st</sup> April, 1989. As of 1<sup>st</sup> April, 2002, Smt. Sumita Rani Thukral is the sole proprietor of the said firm- Thukral Mechanical Works.

20. At paragraph 8 of Thukral's plaint, it is asserted that the said 'FIELDMARSHAL' mark had been used since 1973, and they held rights to it since 1965 vide the said assignment deed. Prolonged use coupled with the said trade mark registration granted exclusive rights to the 'FIELDMARSHAL' mark for centrifugal pumps.

21. The plaint avers that the cause of action for the said suit arose in the month of September, 1992, when M/s. Nitin Machine Tools Pvt. Ltd. started the manufacture and sale of centrifugal pumps under the trade mark 'FIELDMARSHAL' and started the sale thereof throughout India and through Popular Machinery Stores at Delhi. According to Thukral, the cause of action further arose on 18<sup>th</sup> September, 1992 when Popular Machinery Store sold the goods under the said mark. In this suit, P.M. Diesels is impleaded as Defendant No. 3.

22. Summons were issued in the present suit on 1<sup>st</sup> October, 1992. Vide order dated 1<sup>st</sup> October, 1992, an *ex-parte ad-interim* order was granted in the following terms:

# "<u>I.A.12345/92</u>

Notice returnable before the J.R. on 7.1.1993. The defendant, their servants, agents and representatives are restrained from manufacturing,





selling and/or offering for sale or dealing in centrifugal pumps, flour mills, circulating and coupling for machines, pulleys and valves and/or parts thereof and other cognate or allied goods under the mark FIELDMARSHAL or any other mark as may be deceptively similar to the trade-mark of the plaintiff, till further orders.

*Proviso to Rule 3 of Order 39 CPC to be complied with within 10 days* "

23. The said order was vacated on 27<sup>th</sup> May, 1993 by a detailed judgment of a ld. Single Judge. The following issues were thereafter framed in this suit on 19<sup>th</sup> August, 2004:

- "1. Whether the suit has been signed and verified by a competent person? OPP
- 2. Whether the suit has been properly valued for the purposes of court fee and jurisdiction? OPP
- 3. Whether the plaintiff is the registered owner through assignment of the trade mark "Field Marshal" in respect of centrifugal pumps? OPP
- 4. Whether the defendant are the prior user of the trade mark "Field Marshal" in respect of centrifugal pumps than the plaintiff? OPD
- 5. Whether the plaintiff has acquiesced to the user of the trade mark by the defendants, if so, its effect? OPD
- 6. Whether the use of trade mark "Field Marshal" by the defendant amounts to infringement of the registered trade mark no- 228867 and passing off and if yes, its effect? OPP
- 7. Whether the plaintiff is entitled to the decree of injunction as prayed for? OPP
- 8. Whether the plaintiff is entitled to the decree of rendition of accounts as prayed for? OPP





9. Whether the goods in respect of which the defendants are using the trade mark "Field Marshal" and the goods in respect of which plaintiff is using the trade mark "Field Marshal" are cognate and allied goods ?OPD
10. Relief."

24. In this suit, the evidence of the following witnesses has been led by parties:

PW-1		Mr. Sushil Thukral, husband of Mrs. Sumita Rani		
<i>PW-2</i>		Mr. Padam Chand (Evidence by way of Affidavit)		
<i>PW-3</i>		Mr. Faqueer Chand, dealer of M/s.Thukral Mechanical Works		
DW-1		Mr. Nitin Patel		
Evidence way Affidavit	by of	Karam Chand Aneja Bhim Sen		

## Summary of the 10 writ petitions

25. These writ petitions arise out of 10 applications filed by P.M. Diesels seeking registration of the label mark 'FIELDMARSHAL' in different Indian languages. The goods for which the applications are filed are 'Diesel Oil Engines' (not for land vehicles) and parts thereof, centrifugal pumps, submersible pumps, electric motors (not for land vehicles), mono block, foot valve being all goods included in class 7 and the user claimed is since the year 1975.

26. The applications were opposed by Thukral Mechanical Works on the ground that it is the registered proprietor of the mark 'FIELDMARSHAL' with various registrations. Evidence was filed by both parties. Vide order





dated 11th February, 2005, the oppositions were allowed, and the applications of P.M. Diesels were rejected<sup>1</sup>.

# B. <u>Submissions of parties</u>

## Submissions on behalf of P.M. Diesels

27. At the outset, Mr. Mahabir, Id. Counsel for P.M. Diesels, places reliance on Ex. PW-2/5 to Ex.PW-2/7<sup>2</sup>, which are trade mark registrations of P.M. Diesels. They relate to the 'FIELDMARSHAL' word mark, 'FM' logo and 'FIELDMARSHAL' writing style, along with their respective renewals, Legal Proceeding Certificates (*hereinafter, LPCs*), application forms and other related documents. The said registered trade marks are as follows:

Trade Mark	Regd. No.	Class	Trade Mark Journal Extract
FIELDMARSHAL	224879	7	FIELDMARSHAL
(word per se)			<ul> <li>THAR REPORT OF THE POPALLAL NARRAY NARSITIATION PATELL CONTAGANLAR,</li> <li>NARSITIATIAN PATELL BUCN JUTUAKERSI PATEL,</li> <li>PATEL, VASSERAMI THANERSI PATEL,</li> <li>JEXAMI THANKARSI PATEL, AND RABOLAL</li> <li>THAKARSI PATEL, INDUCE RABOLAL</li> <li>THAKARSI PATEL, INDUCE RABOLAL</li> <li>THAKARSI PATEL, INDUCE RABOLAL</li> <li>MANUFAGITURERS, 7, Virani Industrial</li> <li>Same, Bas Box No. 500, Raikor: Manne factorers and Mechanics, The claimed since the sear 1993. BOMBERT:</li> <li>Theorem M. Mechanistic Contract States and Sciences and Mechanism Theorem States and States an</li></ul>

<sup>&</sup>lt;sup>1</sup> *M/s. P.M. Diesels Pvt. Ltd. v. M/s. Thukral Mechanical Works*, Transferred Appeal nos. 240-249/2004/TM/AMD, decision dated 11<sup>th</sup> February, 2005, paragraph 15; Thukral Mechanical Works' Compilation in the 1992 suit, 'Copy of order passed by the Registrar of Trademarks, Ahmedabad dated 12 August 1992 in the 10 trademark applications filed by Defendant.' p. 562-577.

<sup>&</sup>lt;sup>2</sup> Joint Convenience Compilation in **CS (OS) No. 2408 of 1985 & C.O. (COMM.IPD-TM) 677/2022** (*hereinafter, 'P.M. Diesels' Compilation'*), 'Ex. PW 2/5 to Ex. PW 2/7 - Original Certified Extract of Trademark Register' p. 361-374.





FIELDMARSHAL (written in style)	252070	7	esservoOctober 4, 1469, POPATLAI, NARSHIBHAI PATEL, CHHAGANLAI, NARSHIBHAI PATEL, BHANJIMHAI THA- KERSHI PATEL, Snu, KANTABEN VA- SHRAMBHA Smi, HEMLATABEN JERAM. BHAI, Smi, KALIBEN THAKERSHI and NARSHIBHAI DHARAMSHI PATEL, ma- (Contd. in next column)
F.M. FIELDMARSHAL	252071	7	AL ARSHIBHAI PATEL, BHANJIBHAI THAA NARSHIBHAI PATEL, BHANJIBHAI THAA NARSHIBHAI PATEL, BHANJIBHAI THAA KEESHI PATEL, Simi, KANTABEN VASHI NARSHIBHAI SMI HEMLATABEN JERAMBHAI, SHI DHARAMSHI PATEL, trading as TATEL MANUFACTURERS, 7. Viraoi In- utial Emate, Rajkot; Manufacturers and Actechints, User claimed since August, 1965, To be WAssociated with No. 224,879 (380) vit and another. (BOMBAT).

28. There is also another advertisement in the Trade Mark Journal No. 902 in respect of the mark no. 389729 dated 10<sup>th</sup> May, 1982 in class 7, extracted below:





Class 7

damarshal.

Advertised before acceptance under section 20(1) (proviso).

**389,729.**—May 10, 1982. P. M. DIESELS PRIVATE LIMITED, Aji Industrial Estate, Patel Manufacturers Premises, P. O. Box No. 510, Rajkot-3; Manufacturers and Merchants. User claimed since the year 1965. Except pumps and motors in respect of which mark is proposed to be used. To be Associated with No. 224,879(380)vii and others. (BOMBAY).

Diesel oil engines (not for land vehicles) and parts thereof, monoblock pump sets, electric motors (not for land vehicles) and pumps included in Class 7.

29. The above documents would show that the initial trade mark application made by P.M. Diesels is for the following goods:

"Diesel oil engines (not for land vehicles and parts thereof; monoblock, electric motors, pumps included in class7)"

30. However, in one of the documents, there are multiple TM-1 forms in the original records obtained from the Trade Marks Registry. In one of the TM-1 forms, an exception to the following effect has been added in the following manner:

whom claim(s) to be the proprietor(s) thereof and by whom said mark is proprestdzing is great and by whom and his (their) predecessor(s) in title the said mark has been continuously used since 1965 in respect of the said goods, excepting pumps & motors Dated this 198 2 May In Mos. 224879 2520709 252078 Mi clan).





31. In the journal extract, the exception has been added in the initial description and not as a part of the exception in the portion relating to goods. This shows that the exception that has been inserted. As per ld. Counsel Mr. Mahabir, this is an interpolation.

32. Mr. N. Mahabir, ld. Counsel for P.M. Diesels relies upon the following documents to show the use of the mark 'FIELDMARSHAL' by P.M. Diesels:

- i. <u>Ex.PW-2/9 to Ex.PW-2/16<sup>3</sup></u>, and the other trade marks that are subject matter of the above ten Writ Petitions. Advertisements in the Trade Mark Journal for P.M. Diesels' mark filed on 10th May, 1982 with user since 1965. The said mark is advertised with the disclaimer *'except pumps and motors'* in respect of which the mark is proposed to be used. This disclaimer was disputed by P.M. Diesels, as already stated above.
- ii. <u>Ex.PW-2/18 to Ex.PW-2/23</u><sup>4</sup>, are letters written by the dealers of P.M. Diesels to Thukral Mechanical Works to obtain centrifugal pumps under the mark 'FIELDMARSHAL'.
- iii. <u>Ex. PW-1/1 and Ex. PW-1/1A<sup>5</sup></u>: An Agreement for dealership for 'FIELDMARSHAL' centrifugal pumps, executed by J. Chandrakant & Co. and M/s. Indira Engineering Ahmedabad Pvt. Ltd. J. Chandrakant & Co. is a sister concern of P.M. Diesels. It is also stated to be the name of the second son of the founder of the firm. The mark 'FIELDMARSHAL' is in respect of centrifugal pumps.

<sup>&</sup>lt;sup>3</sup> P.M. Diesels' Compilation, 'Advertisements in Trademark of the Trademark Fieldmarshal' p. 375-382.

<sup>&</sup>lt;sup>4</sup> P.M. Diesels' Compilation, 'Letter sent by Agents of the Plaintiff' p. 384-391 (These are letters sent by Field Marshal Agencies to Thukral Mechanical Works).

<sup>&</sup>lt;sup>5</sup> P.M. Diesels' Compilation, 'Agreement for Dealership of 'FIELD MARSHAL' CENTRIFUGAL PUMPS' p. 136.





- iv. <u>Ex. PW-1/1 and Ex. PW-1/1-A<sup>6</sup></u>: Letter dated 26<sup>th</sup> April, 1975 issued by M/s. Patel Manufacturers for M/s. Indira Engineering Ahmedabad Pvt. Ltd., confirming the said firm's use of the mark 'FIELDMARSHAL' for centrifugal pumps.
- v. <u>Ex. PW-1/2 to Ex. PW-1/6<sup>7</sup></u>: Sales by J. Chandrakant & Co. of only power-driven pumps, which are nothing but centrifugal pumps.
- vi. <u>Ex. PW-2/1 to Ex. PW-2/1A<sup>8</sup></u>: General power of attorney by P.M Diesels, issued for filing of the suit.
- vii. <u>Ex. PW-2/2<sup>9</sup> and Ex. PW-2/2A<sup>10</sup></u>: Original Invoices showing the use of mark 'FIELDMARSHAL' for diesel oil engines by P.M Diesels. Invoices from 4th October 1963, of products using the mark 'FIELDMARSHAL'. (Exhibiting the Sale figures from 1963 to 1984 these documents are disputed by Thukral Mechanical Works) Advertisement expenses are also relied upon.
- viii. <u>Ex. PW-2/3A<sup>11</sup> and Ex. PW-2/3<sup>12</sup></u>: Are invoices of the year 1963 (disputed by Thukral Mechanical Works).

<sup>&</sup>lt;sup>6</sup> P.M. Diesels' Compilation, 'Letter from Patel Manufacturers to M/s. Indira Engineering Ahmedabad Pvt. Ltd.' dated 26<sup>th</sup> April, 1975' p. 141.

<sup>&</sup>lt;sup>7</sup> P.M. Diesels' Compilation, 'Original carbon copy of bills of 1975 showing sales from J. Chandrakant & Co. to dealers of centrifugal pumps' p. 142-145.

<sup>&</sup>lt;sup>8</sup> P.M. Diesels' Compilation, 'Power of attorney issued by Plaintiff to Shri K.C. Aneja to file the suit' p. 146-148.

<sup>&</sup>lt;sup>9</sup> P.M. Diesels' Compilation, 'Original bills, Annual Sales and advertisement figures of sale of products under Fieldmarshal from 1963-1984' p. 149-213.

<sup>&</sup>lt;sup>10</sup> P.M. Diesels' Compilation, 'Photocopy of bills of sale of products, Annual Sales and Advertisement of Plaintiff from 1963-1984' p. 149-213.

<sup>&</sup>lt;sup>11</sup> P.M. Diesels' Compilation, 'Photocopy of receipt of first advertisement of Fieldmarshal in Phulchap in 1963' p. 214.

<sup>&</sup>lt;sup>12</sup> P.M. Diesels' Compilation, 'Original receipt of first advertisement of Fieldmarshal in Phulchap in 1963' p. 215.





- ix. <u>Ex. PW-2/4<sup>13</sup> and Ex. PW-2/4A<sup>14</sup></u>: Invoices showing booking of advertisements and copies of advertisements from 1963<sup>15</sup>. Thukral Mechanical Works objected to the said invoices as the same have already been exhibited.
- x. <u>Ex. PW-2/5 to Ex. PW-2/7<sup>16</sup></u>: Trade mark registrations of P.M. Diesels.
- <u>Ex. PW-2/17<sup>17</sup></u>: This is a letter by M/s.Field Marshal Agencies dated 19<sup>th</sup> May, 1992, confronted to witness of P.M. Diesels by Thukral Mechanical Works. Even the said letter shows that the mark 'FIELDMARSHAL' was being used. Three months post this letter, the suit was filed.
- xii. <u>Ex. PW-2/18- Ex. PW 2/23<sup>18</sup></u>: Letters by dealers of P.M. Diesels dated 6<sup>th</sup> May, 1991, 25<sup>th</sup> May, 1991, 31<sup>st</sup> August, 1992 and so on, which were confronted to P.M. Diesels' witness by Thukral Mechanical Works to argue that they were selling the 'FIELDMARSHAL' pumps of Thukral Mechanical Works in 1990s.
- <u>Ex. PW-2/24<sup>19</sup></u> Legal notice issued by P.M. Diesels. Mr. Mahabir ld.
   Counsel submits on the basis of the footer of the said legal notice, that the sellers were distributors of P.M. Diesels for diesel engines, motors

<sup>&</sup>lt;sup>13</sup> P.M. Diesels' Compilation, 'Original Newspaper showing advertisements' p. 216.

<sup>&</sup>lt;sup>14</sup> P.M. Diesels' Compilation, 'Photocopy of Newspaper showing advertisements' p. 216-230.

<sup>&</sup>lt;sup>15</sup> Mr. Mahabir submits that the original advertisements are to be found in *CS(COMM)* 473/2016, along with certain invoices.

<sup>&</sup>lt;sup>16</sup> P.M. Diesels' Compilation, 'Original Certified Extract of Trademark Register' p. 361-374.

<sup>&</sup>lt;sup>17</sup> P.M. Diesels' Compilation, 'Letter issued by M/s.Field Marshal Agencies dated 19<sup>th</sup> May, 1992' p. 383.

<sup>&</sup>lt;sup>18</sup> P.M. Diesels' Compilation, 'Letters sent by Agents of the Plaintiff' p. 384 to 391.

<sup>&</sup>lt;sup>19</sup> P.M. Diesels' Compilation, 'Notice dated 22.06.1982 issued by Plaintiff to Defendant' p. 392-394.





and monoblock pumps, which are nothing but centrifugal pumps with a motor.

- xiv. <u>Ex. PW-3/3 to Ex. PW3/5</u><sup>20</sup>- These letters were confronted by Thukral Mechanical Works to PW-3 to establish that some entities were asking for supply of 'FIELDMARSHAL' pumps from Thukral Mechanical Works.
- xv. <u>Ex. PW-4/1 & Ex. P-10<sup>21</sup>, Ex. PW-4/2 & Ex. PW-4/3<sup>22</sup></u>- These documents were confronted to PW-4- Mr. Shiv Avtar Gupta by Thukral Mechanical Works. PW-4 was purchasing from Thukral Mechanical Works; however the mark 'FIELDMARSHAL' did not appear on them. These are also documents confronted to PW-4 to prove the use of mark 'FIELDMARSHAL'.
- xvi. <u>Ex-PW-4/D1<sup>23</sup></u>: This document, submitted on behalf of P.M. Diesels, is a copy of the invoice dated 22<sup>nd</sup> October, 1995 produced by PW-4 Shiv Avtar Gupta, showing that he sold pumps to PW-4 without the mark 'FIELDMARSHAL'. The Court had directed the said witness to produce the original invoice, which was not produced. Accordingly, p. 401, which is a carbon copy of the said invoice, was confronted to PW-4. On 17th December, 1998, the Court accepted the carbon copy and exhibited it as Ex. PW-4/D1. It was held that PW-4 was deliberately withholding the original.

<sup>&</sup>lt;sup>20</sup> P.M. Diesels' Compilation, 'Letters dated 15.1.1981, 2.3.1981 and 3.6.1981 sent to Defendant by Plaintiffs dealers' p. 395-397.

<sup>&</sup>lt;sup>21</sup> P.M. Diesels' Compilation, 'Bill dated 8<sup>th</sup> March, 1974 issued by the Defendant' p. 398.

<sup>&</sup>lt;sup>22</sup> P.M. Diesels' Compilation, 'Letter sent by PW 4 to Defendant dated 12<sup>th</sup> October, 1995' & 'Letter sent by PW 4 to Defendant dated \_\_\_\_' p. 399-400.

 $<sup>^{23}</sup>$  P.M. Diesels' Compilation, 'Invoices dated 22 October 1995 issued by Defendant to PW/4' p. 401-402.





xvii. <u>Ex. PW-5/1 and Ex. PW-5/2<sup>24</sup></u>: Two invoices relied upon by P.M. Diesels to show that in the original invoice at p. 403, the mark 'FIELDMARSHAL' does not appear in the documents filed by Thukral Mechanical Works before the Trade Marks Registry.

33. Mr. N. Mahabir, Id. Counsel for P. M. Diesels, relying on the above documents, submits that the core of the dispute is the legitimacy of Thukral Mechanical Works' registration of the 'FIELDMARSHAL' trade mark. One of the grounds is the lack of prior use evidence prior to January 1988, the submission of allegedly forged documents to support Thukral's application, and disputes over P.M. Diesels' application process itself, such as the unauthorized amendment in the form of a handwritten note. Secondly, it is argued that the vacation of the temporary *ex-parte* injunction, initially granted in favor of P.M. Diesels, was unjustified. Furthermore, Thukral's registration of the said mark was improperly granted, and the evidence supporting Thukral's claim to the mark was not valid (e.g., due to the submission of forged invoices). In support of the above submissions, the following facts are relied upon:

- Prior to January 1988, there is no document from Thukral Mechanical Works indicating the use of the mark 'FIELDMARSHAL'. The sole document available is the registration certificate from 1966.
- ii) In CS (OS) 2408/1985, a temporary *ex-parte* injunction was granted in favour of P.M. Diesels on 19<sup>th</sup> December, 1985. The *ex parte* injunction was vacated by ld. Single Judge on 19<sup>th</sup> January, 1988, in view of the trade mark registration in favour of Thukral Mechanical Works.

<sup>&</sup>lt;sup>24</sup> P.M. Diesels' Compilation, 'Original bill dated 10.4.1979 issued by Defendant to PW5' & 'Certified copy of bill dated 10.4.1979 issued by Defendant to PW5' p. 403-404.





- iii) Reliance is placed on the Trade Mark Registry's record in the application filed by P.M. Diesels where a handwritten note has been made, removing certain goods from the application by adding the words 'except'<sup>25</sup>. The interpolation is disputed by P.M. Diesels.
- iv) Reliance is placed upon the trade mark application no. 363764 filed in class 7 by Thukral Mechanical Works, which was opposed by P.M Diesels vide Opposition No. DEL-4109 dated 10<sup>th</sup> December, 1983. This application was later on withdrawn as recorded vide order dated 20<sup>th</sup> April, 1987 by Thukral Mechanical Works, however, Mr. Mahabir, ld. Counsel relies upon the Evidence in Support of Application<sup>26</sup> dated 24<sup>th</sup> August, 1985 filed in the said opposition proceedings by Thukral Mechanical Works of Mr. Anil Kumar, Partner, where it is admitted as under:
  - That the products have been sold in Delhi:

"That I am fully acquainted with the material facts and circumstances of the case of my firm's application (no.363764) for the Registration of a Trade-mark comprising of the word 'FIELD-MARSHAL', as word per se, in Class 7 (in respect of the 'Band Reflux-Valves, Centrifugal-Pumps and Parts thereof included in Class 7 for sale in 'States of Punjab, Harvana, Himachal the Pradesh, Jammu & Kashmir, Uttar Pradesh, Rajasthan, Madhya Pradesh, Andhra Pradesh and Bihar and the Union Territories of Chandigarh & Delhi), and the opposition lodged thereto, (under no. DEL-4109) by one M/s.P.M. Diesel Private Limited/Rajkot."

<sup>&</sup>lt;sup>25</sup> P.M. Diesels' Compilation, 'Summoned records of Trademark application no. 389728 and 389729' p. 534-535.

<sup>&</sup>lt;sup>26</sup> P.M. Diesels' Compilation, 'Summoned records of Trademark application no. 363764' p.643.





• That centrifugal pumps are also known as power driven pumps:

"9. That my firm's aforesaid goods are of particular different kind & description, and are used for different purposes. These are used only for farming /agricultural purposes, and their main function is to pull the water from earth, by working in a rotational-system, with the help of power of any kind. These centrifugal-Pumps are also knows as 'POWER-DRIVEN-PUMPS', in the ordinarylanguage of the customers/ consumers.

• That Thukral Mechanical Works claims that valves and centrifugal pumps are different from P.M. Diesels' diesel oil engines, under the mark 'FIELDMARSHAL'.

16. That the goods namely : Bend-Reflux-Valves and the Centrifugal-Pumps are purely different from the opponents' goods namely 'Diesel-Oil-Engines/ Electric-Motors'. My Firm's aforesaid particular goods, being of different kind & description, are sold, even upon the counters of the dealers of the opponents' company, by my said firm under the Trade-Mark **'FIELD** MARSHAL'. To this effect, few traceable- letters addressed to my firm by the Firms (who are the dealers of my Applicant-Firm as well as also of the Opponents' Company too) demanding the aforesaid goods under the Trade-Mark 'FIELD MARSHAL' may please be referred to. (Exhibit *CL-1 to CL-14*). I append hereinbelow the names & addresses of such Firms/Dealers..."

• That Thukral Mechanical Works' products are sold from the same counters from where P.M. Diesels' products under the mark 'FIELDMARSHAL' i.e., diesel oil engines are sold.

16. <u>That the goods namely : Bend-Reflux-Valves</u> and the Centrifugal-Pumps are purely different





from the opponents' goods namely 'Diesel-Oil-Engines/ Electric-Motors'. My Firm's aforesaid particular goods, being of different kind & description, are sold, even upon the counters of the dealers of the opponents' company, by my said the Trade-Mark firm under **'FIELD** MARSHAL'. To this effect, few traceable- letters addressed to my firm by the Firms (who are the dealers of my Applicant-Firm as well as also of the Opponents' Company too) demanding the aforesaid goods under the Trade-Mark 'FIELD MARSHAL' may please be referred to. (Exhibit CL-1 to CL-14). I append hereinbelow the names & addresses of such Firms/Dealers..."

- In fact, in support of this application, Thukral Mechanical Works filed invoices before the Trade Mark Registry where the mark 'FIELDMARSHAL' was reflected in the invoices. However, when it was discovered that the said invoices were forged and fabricated, the application itself was withdrawn vide letter dated 20<sup>th</sup> March, 1987. P.M. Diesels has obtained certified copies of the invoices, which have been filed on record along with the accompanying documents<sup>27</sup>.
- v) In conclusion, Mr. N. Mahabir, ld. Counsel submits as under:
  - P.M. Diesels' use of the mark 'FIELDMARSHAL' for diesel oil engines is from 1963, which pre-dates use by Thukral Mechanical Works.

<sup>&</sup>lt;sup>27</sup> P.M. Diesels' Compilation, 'Photocopy of Exhibit PW5/2 not issued by Defendant. (Ex PW 5/2)', 'Certified of Exhibit PW6/1 not issued by Defendant (ExPW6/1A)', 'Photocopy of Invoice not issued by Defendant.' & 'Photocopy of Invoice not issued by Defendant.' p.529-532.





- P.M. Diesels is selling centrifugal pumps under the mark 'FIELDMARSHAL' since 1975.
- P.M. Diesels has been advertising the mark 'FIELDMARSHAL' since 1963.
- Even if it is presumed that centrifugal pumps were not sold by P.M. Diesels, diesel oils engines and pumps are closely interlinked to each other as the diesel oil engine forms an essential component of centrifugal pumps as a whole. The diesel oil engines were an integral part of the centrifugal pumps which would be the basis for their functioning when there was no other electrical source.
- The class of customers are the same i.e., the farmers and other workers who work in agricultural fields and farms.
- vi) He, thus, submits that CS(OS) 2408/1985 deserves to be decreed against Thukral Mechanical Works. C.O. 6/1987, now numbered as C.O. (COMM.IPD.-TM) 667/2022 deserves to be allowed and the mark of Thukral Mechanical Works qua the centrifugal pumps deserved to be cancelled from the register.
- 34. Mr. Mahabir, ld. Counsel placed reliance on the following judgments:
- *L.D. Malhotra v. Ropi Industries*<sup>28</sup> for the proposition that if use of the mark is likely to deceive or cause confusion i.e., passing off, then the said mark ought to be cancelled as it would be an entry wrongly remaining on the Register of Trade Marks.

<sup>&</sup>lt;sup>28</sup> ILR (1976) I Delhi 278, paragraph 28





- Punjab Tractors Ltd. v. Shri Pramod Kumar Garg<sup>29</sup>, where the ld.
   Single Judge of this Court was considering the question as to whether the goods in the said case i.e., diesel oil engines and tractors, harvesters combines and forklifts are goods of same description.
- iii) *Pramod Kumar Garg v. Punjab Tractor Ltd*<sup>30</sup>. In the appeal against the decision of the ld. Single Judge, the ld. Division Bench noted in paragraph 16 that since the products are used in agriculture sector, where customers are likely to be less discerning, they might assume the source of supply to be the same. Additionally, the nature of the evidence provided by the Defendant was called into question in this case.
- iv) Decision of the Registrar of Trademarks in the opposition proceedings filed by P.M. Diesels opposing the registration of the mark 'FIELDMARSHAL' for rubber belting for machinery. The Registrar held that, though, the goods are not identical, they are goods of the same description and are allied goods. Reliance is placed on the finding of the Registrar to uphold the user of the mark by P.M. Diesels as also its reputed and well-known status.

## Submissions on behalf of Thukral Mechanical Works

35. Mr. Hemant Singh, ld. Counsel along with Mr. Sachin Gupta, Advocate, made his submissions on behalf of Thukral Mechanical Works, which is a proprietary concern of Ms. Sumita Rani. The broad submissions of Mr. Hemant Singh are as under:

<sup>&</sup>lt;sup>29</sup> ILR (2000) I Delhi, paragraphs 13-14

<sup>&</sup>lt;sup>30</sup> (115) DRJ 679 (DB), paragraphs 16-18





- i) P.M. Diesels has primarily argued passing off in CS (OS) 2408/1985
  on the strength of P.M. Diesels being the prior user of the mark
  'FIELDMARSHAL' by claiming that the goods diesel engines and centrifugal pumps are cognate and allied and that there is confusion. Thus, injunction is being sought.
- ii) The above position taken by P.M. Diesels is in contradiction to the pleadings in the plaint, where they claimed the adoption and use of the 'FIELDMARSHAL' mark for diesel oil engines, including parts thereof, as well as for centrifugal pumps, motors, and their parts, since 1963. The original plea in the plaint was based on use of the mark even for centrifugal pumps since 1963. However, when Thukral highlighted in their written statement that P.M. Diesels had not used the mark for centrifugal pumps, they altered its position in the replication. It was then argued that diesel oil engines and centrifugal pumps are closely related products, sold in the same shops to the same customer base, namely farmers. This shift in P.M. Diesels' stance, particularly regarding the use and reputation of the mark concerning centrifugal pumps, is entirely impermissible. Ld. Counsel places reliance on paragraphs 18 & 24 of Anand Constructions v. Ram Niwas<sup>31</sup>, underlining the inconsistency in P.M. Diesels' claims. The judgment is cited to support the argument that while the replication forms part of the pleadings, the determination of the relief should be based solely on the allegations in the plaint, not those introduced in the replication.
- iii) He argues that the replication cannot serve as the foundation for P.M.

<sup>&</sup>lt;sup>31</sup> 1994 (31) DRJ 205





Diesels to claim any relief. Pleadings are confined to the plaint and the written statement; therefore, even though the replication was allowed to be filed and may be considered a pleading, it cannot be used as the basis for claiming any relief.

- iv) Thukral's trade mark 'FIELDMARSHAL' has been recognized by various authorities, including the Trade Mark Office, the IPAB, the High Court, and the Supreme Court. This recognition comes in wake of the rejection of P.M. Diesels' ten applications for the registration of the 'FIELDMARSHAL' mark in relation to centrifugal pumps. The foundation is the order passed by the Registrar of Trade Marks on 12th August, 1992, later affirmed by the IPAB on 11th February, 2005. It is these orders which have been challenged in the ten writ petitions, pending before this Court. Consequently, Thukral's rights concerning the 'FIELDMARSHAL' mark for centrifugal pumps have been acknowledged by the Registrar of Trade Marks and the IPAB, which significantly impacts the present suit.
- v) Ld. Counsel also submits that they have not contested P.M. Diesels' trademark registrations for diesel oil engines and other products, given that Thukral has only used the mark for centrifugal pumps, not diesel oil engines. When P.M. Diesels applied for marks *qua* centrifugal pumps, Thukral opposed these applications. These oppositions were successful at the Trade Mark Registry and were further upheld by the erstwhile IPAB. The writ petitions filed by P.M. Diesels pertain to these specific proceedings, where Thukral opposed their trade mark applications for centrifugal pumps.
- 36. Insofar as the cancellation petition C.O. (COMM.IPD-TM) 667/2022





is concerned, the following are the submissions of Mr. Singh, ld. Counsel:

i) The first cancellation petition filed by P.M. Diesels was against M/s. Jain Industries, i.e., *C.O. No. 9/1986*, which was withdrawn by P.M. Diesels on 16<sup>th</sup> January, 1987 in the following terms:

"Mr. Singh has filed a reply in this petition bringing out that presently he is the registered owner of the trademark which is sought to be cancelled in the petition. <u>In view of this situation</u> <u>learned counsel for petitioner has submitted that</u> <u>he may be permitted to withdraw this petition with</u> <u>permission to file a fresh petition on this very</u> <u>cause of action Thakural Chemical Works etc.</u> Let the statement of learned counsel for the petitioner be recorded."

- ii) Though, the Court had given liberty to P.M. Diesels to file a cancellation petition against Thukral on the same cause of action, P.M. Diesels sought to file a cancellation petition in January 1987 not on the same cause of action, but on the basis of non-use of the mark. This cancellation petition has been considered by the IPAB, which had dismissed the same on 27<sup>th</sup> October, 2004. The writ petition was filed challenging the said order in which the ld. Division Bench had set aside the IPAB's order on 18<sup>th</sup> January, 2006. However, in the SLP filed challenging the ld. Division Bench order, the Supreme Court on 18<sup>th</sup> December, 2008 set aside the ld. Division Bench's order and held that only the ground of non-use of Thukral's mark is permitted as the term used in the statute is '*proprietor thereof for the time being*' under Section 46(1)(b) of the 1958 Act.
- iii) Insofar as the plea of trafficking is concerned, M/s. Jain Industries was not impleaded in the cancellation petition, and hence the Supreme





Court had remanded the matter. P.M. Diesels then sought impleadment of M/s. Jain Industries, which was rejected by the IPAB on 27<sup>th</sup> January, 2011 as the trial in the cancellation petition was over. This order of the IPAB rejecting the application for impleadment of M/s. Jain Industries was also challenged by P.M. Diesels by way of writ petition in *W.P.(C) 4846/2011* which was dismissed on 9<sup>th</sup> October, 2020. Thus, as on date, the cancellation petition is being heard only against Thukral and not against M/s. Jain Industries. The primary ground is of non-use under Section 46(1)(b) of the 1958 Act, though, there is a tangential plea of likelihood of confusion.

37. In the plaint, the pleading is one of passing off based on prior user, goodwill and reputation, however, the plea of cognate and allied goods is now being raised in the present suit. It is further submitted that on the date when M/s. Jain Industries adopted the mark 'FIELDMARSHAL' for centrifugal pumps, P.M. Diesels had no user for centrifugal pumps, which is clear from the replication. The earliest registration in favour of P.M. Diesels' is the trade mark bearing no. 224879 for the word 'FIELDMARSHAL' in class 7 dated 16th October, 1964. On the other hand, Thukral's trade mark bearing no. 228867 in class 7 is dated 13<sup>th</sup> May, 1965. Thukral claims user of their mark since January, 1963, whereas P.M. Diesels claims user since May, 1963.

38. Further, the Supreme Court in *M/s. Thukral Mechanical Works v. P.M. Diesels Pvt. Ltd.*<sup>32</sup>, observed at paragraph 25 that P.M. Diesels and Thukral were infringers of the mark of M/s. Jain Industries. Since there was no goodwill on the date of Thukral's adoption in terms of the judgment in

<sup>&</sup>lt;sup>32</sup> 2008 INSC 1479





*Toyota Jidosha Kabushiki Kaisha v. M/s. Prius Auto Industries Limited*<sup>33</sup>, no injunction can be granted in the present case.

39. In respect of the suit filed by P.M. Diesels being *CS* (*OS*) 2408/1985, the three-fold argument is:

- That there is no prior user, goodwill or reputation in favour of P.M. Diesels on the date of Thukral's adoption of the mark 'FIELDMARSHAL'. Cognate and allied was not pleaded in the original plaint.
- ii) Goods manufactured by P.M. Diesels and Thukral are different.
- iii) Even otherwise, without prejudice, diesel oil engines and centrifugal pumps are not cognate and allied goods.

Ld. Counsel's first submission is that the relevant date in the suits is 40. 13<sup>th</sup> May, 1965. which is when Thukral's registration of the 'FIELDMARSHAL' mark for flour mills, circulating and centrifugal pumps, couplings for machines, pulleys, and parts of machines included in class 7 was registered. In that registration, Thukral Mechanical Works claims use dating back to January 1963<sup>34</sup>. Therefore, to succeed in its action for passing off, P.M. Diesels must demonstrate that, as of 13<sup>th</sup> May, 1965, it had established a reputation and market use for the 'FIELDMARSHAL' mark.

41. On the other hand, P.M. Diesels' application was filed on 16<sup>th</sup> October, 1964, with a claim of use since 1963 in respect of diesel oil engines (not for land vehicles) and parts thereof included in class 7. Apart from the entries in the Trade Mark Journals, the documents relied upon by P.M. Diesels include

<sup>33 2017</sup> INSC 1230

<sup>&</sup>lt;sup>34</sup> P.M. Diesels' Compilation, 'Annual Sales and Advertisement of Plaintiff from 1963-1984' p.492-500.





three invoices from 1963, in the Gujarati language<sup>35</sup>, which, according to Mr. Hemant Singh, ld. Counsel, are not admissible and have not been proven in accordance with the law.

42. According to ld. Counsel, beyond these three invoices, statements of sales and advertising expenditures have been filed by P.M. Diesels, but were exhibited in *CS* (*COMM*) 473/2016, not in the 1985 suit filed by P.M. Diesels<sup>36</sup>. He, thus, argues that the evidence is scant and fails to establish any goodwill as of 1965, when Thukral's mark was adopted and applied for by Thukral's predecessor. Moreover, P.M. Diesels' sales figures have not been legally substantiated.

43. He further submits that, according to P.M. Diesels, their claim is that Thukral's predecessor - M/s. Jain Industries never used the mark until 1988. However, P.M. Diesels did not choose to implead M/s. Jain Industries in the suit. Additionally, P.M. Diesels opted not to examine Mr. Kailash Chand Jain, who, although summoned, was not cross-examined and was discharged, as recorded vide order dated 7<sup>th</sup> February, 1996. Consequently, P.M. Diesels has not proven that M/s. Jain Industries did not use the mark prior to 1988, and an adverse inference could be drawn against them.

44. Regarding the three invoices from 1963 filed by P.M. Diesels, PW-2 testified about these invoices<sup>37</sup>. However, this witness was only 8 years old in 1963. Furthermore, only carbon copies of these invoices were produced,

<sup>&</sup>lt;sup>35</sup> P.M. Diesels' Compilation, 'Annual Sales and Advertisement of Plaintiff from 1963-1984' p.492-500.

<sup>&</sup>lt;sup>36</sup> Thukral Mechanical Works' Compilation, 'Statements of sales of goods by the Defendants on under trademark Fieldmarshal' p.656; Thukral Mechanical Works' Compilation, 'Statements of expenses incurred by the Defendants on advertisement under trademark Fieldmarshal.' p.657.

<sup>&</sup>lt;sup>37</sup> P.M. Diesels' Compilation, 'Cross-Examination of PW-2, Mr. Chandrakant Poppatbhai Patel on S.A' p.97.





which should be considered secondary evidence rather than primary evidence. Thukral has also objected to the method of proving these invoices and their admissibility. Witnesses are needed to attest to the authenticity and validity of these invoices, especially in light of allegations of fabrication.

45. Insofar as the statement of sales and advertisement expenditure is concerned in the suit filed by P.M. Diesels, no witness exhibited these documents and it is only suit filed by Ms. Sumita Rani in 1992 that an attempt was made to exhibit these documents, which also have not been proved in accordance with law. Thus, the submission is that user of 1963 i.e., prior to 1965 has not been proved by P.M. Diesels, and the onus has also not been discharged.

46. P.M. Diesels has not made any submissions in respect of infringement of trade mark 'FIELDMARSHAL' or in respect of the writs filed by them, from the orders denying registration to P.M. Diesels.

47. According to Mr. Singh, ld. Counsel, the core issue to be decided in the present suits relates to passing off, given that the plaint avers that P.M. Diesels has been using the 'FIELDMARSHAL' mark for diesel engines and centrifugal pumps. However, the argument for passing off does not hinge on the assertion that centrifugal pumps and diesel engines are related or allied goods, a claim that is conspicuously absent from the plaint.

48. Furthermore, regarding the opposition proceedings before the Registrar of Trade Marks, P.M. Diesels has not submitted any evidence. Any existing evidence must be evaluated to determine whether there has been any use of the 'FIELDMARSHAL' mark for centrifugal pumps.

49. Additional propositions canvassed by Mr. Hemant Singh, ld. Counsel are:





- i) That P.M. Diesels failed to prove goodwill and reputation of the mark 'FIELDMARSHAL' *qua* them as of 13th May, 1965 which is the date when the predecessor of Thukral Mechanical Works applied for the registration of the mark. If there is no goodwill and reputation, the case of passing off would not be maintainable. Further, there is no title enjoyed by P.M. Diesels in the mark 'FIELDMARSHAL' as of 1965 (*on a query from the Court, Mr. Singh clarified that there is no document by the predecessor of Thukral Mechanical Works except the trademark application*). Reliance is place on the judgment of the Supreme Court in **Toyota Jishoda (supra).**
- ii) The claimed prior use in 1963 for diesel oil engines is not convincingly established, as the only evidence presented by P.M. Diesels consists of two advertising invoices and three sales invoices for six engines. It remains unclear who issued these invoices, who signed the bills, and who the purchasing customers were. P.M. Diesels has not proven the actual issuance of these invoices. At best, this evidence could indicate sporadic rather than continuous commercial use, insufficient to establish goodwill and reputation. Additionally, the filed invoices could, at best, be considered hearsay evidence, not adhering to the principles of the Evidence Act, 1872 due to the absence of corroborative evidence demonstrating P.M. Diesels' use of the mark.
- iii) Thukral Mechanical Works' actual use is of 1978, which is based on the following documents:





- <u>Ex. P-1 to P-13<sup>38</sup></u>: A letter/invoice from Thukral to Marshal Machinery Sales which uses the mark 'FM', which establishes 'FIELDMARSHAL', dated 28th August, 1978.
- <u>Ex.- DW-1/5<sup>39</sup></u>: This is a telegram issued by Mr. Ram Chand Aneja, father of Mr. K.C. Aneja (PW-3), who is the authorised signatory of P.M. Diesels dated 27th April, 1979, where six pumps 'FIELDMARSHAL' has been mentioned.
- <u>Ex.- PW- 3/3 to Ex. PW 3/5<sup>40</sup></u>: Letter dated 15th January, 1981 letter from M/s. Yogesh Machinery Stores to Thukral Mechanical Works.
- <u>Ex. PW- 3/3 to Ex. PW 3/5<sup>41</sup></u>: The letter dated 2nd March 1981, sent from M/s. Yogesh Machinery Stores to Thukral, hints at the continuous supply of pumps. This was also acknowledged by Mr. K.C. Aneja, who appeared as PW-3 on behalf of P.M. Diesels.
- <u>Ex. PW- 2/17<sup>42</sup></u>: Reliance is also placed on a notice dated 19<sup>th</sup> May, 1992 issued by Field Marshal Agencies, a dealer of P.M. Diesels in Kanpur, which warns that counterfeit centrifugal pumps are being sold in the market. The notice clarifies that P.M. Diesels does not produce centrifugal pumps at all, concluding that any pumps marketed under the 'FIELDMARSHAL' brand originating from Sirhind, Punjab, and Mujjafarpur are not manufactured by P.M. Diesels.

<sup>&</sup>lt;sup>38</sup> P.M. Diesels' Compilation, 'Invoices issued by the Defendant' p. 410.

<sup>&</sup>lt;sup>39</sup> P.M. Diesels' Compilation, 'Telegram received for pumps.' p. 461.

<sup>&</sup>lt;sup>40</sup> P.M. Diesels' Compilation, 'Letters dated 15.1.1981, 2.3.1981 and 3.6.1981 sent to Defendant by Plaintiffs dealers' p. 395.

<sup>&</sup>lt;sup>41</sup> P.M. Diesels' Compilation, 'Letters dated 15.1.1981, 2.3.1981 and 3.6.1981 sent to Defendant by Plaintiffs dealers' p. 396.

<sup>&</sup>lt;sup>42</sup> P.M. Diesels' Compilation, 'Letter issued by M/s. Field Marshal Agencies' p. 383.





- Ex. PW- 2/24<sup>43</sup>: In the legal notice dated 22nd June, 1982, P.M. Diesels became aware of Thukral's argued that they use of the 'FIELDMARSHAL' mark only upon encountering trade mark application no. 363764 in class 7. However, evidence presented by P.M. Diesels revealed that Mr. K.C. Aneja, their authorized signatory, was actually aware of the documents referenced and relied upon by Thukral and knew of Thukral's use of the 'FIELDMARSHAL' mark for centrifugal pumps since 1980-81. This suggests, according to Mr. Hemant Singh, ld. Counsel, that P.M. Diesels' claim is based on inaccuracies. This contrasts with the cause of action stated in the plaint, which claims P.M. Diesels only became aware of Thukral's trade mark application at the time of its discovery. [Mr. R.C. Aneja, the father, had two sons, Mr. R.D. Aneja and Mr. K.C. Aneja. Mr. R.D. Aneja managed Marshal Machinery and testified as PW-5 in the suit. Mr. K.C. Aneja managed 'Yogesh Machinery' and was the General Manager of P.M. Diesels as well as their dealer in Haryana. Mr. R.C. Aneja also served as a dealer for P.M. Diesels in Haryana.]
- Mr. K.C. Aneja, who was P.M. Diesels' agent and dealer as well as the power of attorney holder, had been purchasing centrifugal pumps from Thukral Mechanical Works since 1978. He appeared as PW-3 in the suit and admitted this during his cross-examination. Pleadings to the contrary, asserting that P.M. Diesels' acquired knowledge from the trade mark application of Thukral Mechanical Works, are clearly false. Therefore, in law, there is acquiescence by P.M. Diesels regarding

<sup>&</sup>lt;sup>43</sup> P.M. Diesels' Compilation, 'Notice dated 22.06.1982 issued by Plaintiff to Defendant' p. 392.





Thukral's use of the mark 'FIELDMARSHAL' for centrifugal pumps. Beyond acquiescence, there has also been active encouragement of Thukral by P.M. Diesels' own agents and dealers. Thus, P.M. Diesels cannot claim ignorance of the said position. Reliance is placed on *S.P. Chengalvaraya Naidu v. Jagannath*<sup>44</sup> that a plaint or a suit which is based on a falsity cannot be condoned and the Plaintiff is therefore not entitled to any relief.

50. Based on the above documents produced, Mr. Hemant Singh, ld. Counsel made the following further submissions:

# i) <u>Whether P.M. Diesels established goodwill and reputation prior to</u> <u>the cut-off date.</u>

rights Thukral Mechanical Works acquired in the • 'FIELDMARSHAL' mark as of 13th May, 1965, by virtue of the assignment dated 30th May, 1986, which was accompanied with the goodwill of the business. The invoices filed since 1963 do not clarify how sales were conducted. Moreover, the witness who testified had no personal knowledge of these invoices. Thukral's trade mark registration sufficiently establishes the adoption of the mark, even without evidence of use in 1965. P.M. Diesels must prove its own goodwill prior to 1965 to secure an injunction. Such goodwill ought to be significant enough to associate with the plaintiff for reputation the 'FIELDMARSHAL' brand. The statutory rights of Thukral Mechanical Works, as a registered proprietor, can only be

<sup>&</sup>lt;sup>44</sup> AIR 1994 SC 853





challenged with evidence of consistent commercial use, not sporadic instances. Moreover, the suit is based on user of the mark for 'engines'. In fact, in the notice given to the dealers, P.M. Diesels clearly admits that there is no user of the mark 'FIELDMARSHAL' for 'centrifugal pumps' in terms of Ex.-PW-1/12<sup>45</sup>.

- Secondly, the plaint, on the other hand, is based on falsehood that P.M. Diesels is using the mark for 'centrifugal pumps'. The fact is that M/s. Nitin Machine Tools was making centrifugal pumps. The only evidence for pumps is PW-1- J.R. Vekaria, who relies on five invoices for the period May to October, 1975. When the witness was asked to produce all the records, he failed to do so. Thus, there is no use of the mark for centrifugal pumps and the use by P.M. Diesels is limited to diesel engines. Insofar as the plea of cognate and allied good is concerned, the same is not even being pleaded in the plaint and has been raised for the first time in the replication and thus cannot be argued.
- The crucial question is whether P.M. Diesels had established rights over the mark 'FIELDMARSHAL' even for diesel engines. The answer is no.
- The Legal Proceedings Certificate dated 2nd May, 2002, as well as the Assignment Deed dated 30th May, 1986, clearly indicate that Thukral Mechanical Works is recorded as the subsequent

<sup>&</sup>lt;sup>45</sup> Thukral Mechanical Works' Compilation, 'Letter dated 19 May 1992 issued by agent of Defendant No. 3, Field Marshal Agencies' p. 501.





user of the mark. There is also a clear admission that the assignee of the mark had satisfied itself of Thukral Mechanical Works' use of the mark 'FIELDMARSHAL' for centrifugal pumps since 1973. Under these circumstances, Thukral's statutory rights must prevail over P.M. Diesels' alleged common law rights.

- It is further submitted that insofar as the sales figures are concerned, an attempt was made to prove the same in the suit filed by P.M. Diesels, which it was unable to do. Insofar as Thukral's suit is concerned, the evidence would show that DW-1-Mr. Nitin Patel, who deposed in respect of the sales figures which are produced as PW-1/7<sup>46</sup> and PW1/8<sup>47</sup>, and his cross examination <sup>48</sup>, establish beyond any doubt that he had no knowledge of the books of accounts.
- Section 60 of the Indian Evidence Act, 1872 is relied upon for the proposition that a single sheet of paper cannot be the basis of sales figures relied upon to prove goodwill and reputation as they lack veracity. The following decisions are also relied upon by Thukral:
  - Kalyan Kumar Gogoi v. Ashutosh Agnihotri<sup>49</sup>.
  - ITC v. Nestle<sup>50</sup>.

<sup>&</sup>lt;sup>46</sup> Thukral Mechanical Works' Compilation, 'Invoices showing advertisements by Plaintiff.' p. 326-387.

<sup>&</sup>lt;sup>47</sup> Thukral Mechanical Works' Compilation, 'Statement of Plaintiffs annual sales figures for the period 1973-August 1993.' p. 388.

<sup>&</sup>lt;sup>48</sup> Thukral Mechanical Works' Compilation, 'Cross Examination of DW-1' p. 388.

<sup>&</sup>lt;sup>49</sup> 2001 SCC OnLine SC 200

<sup>&</sup>lt;sup>50</sup> 2020 (84) PTC 395 (Mad) (DB)





- Insofar as the proposition that the goodwill and reputation has to be established on the date of adoption by Thukral is concerned, the following decisions are relied upon:-
  - Toyoto Jidosha (supra)
  - Dhariwal Industries Ltd. v. M.S.S. Food Products<sup>51</sup>
  - Pioneer Nuts and Bolts Pvt. Ltd. v. M/s.Goodwill Enterprises<sup>52</sup>
  - Bimal Govindji Shah Trading as Acme Industries v. Panna Lal Chandu Lal<sup>53</sup>
  - *Intex Technologies (India) Ltd. v. M/s. A Z Tech (India)*<sup>54</sup> Thus, it is argued that even in respect of all evidence, P.M. Diesels has failed to prove goodwill reputation in respect of centrifugal pumps.

## ii) Whether the goods are cognate and allied goods.

- 'FIELDMARSHAL' is being used by P.M. Diesels for centrifugal pumps, which is untrue. P.M. Diesels' case is that it is also registered for diesel engines and therefore the use of the mark for centrifugal pumps by Thukral Mechanical Works constitutes passing off. The test to determine cognate and allied nature of the products is now well settled i.e., the following three factors need to be considered:-
  - nature of the product.
  - purpose of the product.

<sup>&</sup>lt;sup>51</sup> (2005) 3 SCC 63

<sup>&</sup>lt;sup>52</sup> 2009 SCC OnLine 2851

<sup>53 1997</sup> SCC OnLine Del 419

<sup>&</sup>lt;sup>54</sup> 2017 SCC OnLine Del 7392





- composition.
- Mr. Singh, ld. Counsel relies upon the following judgments:-
  - **British Sugar Plc. v. James Robertson Sons Ltd.**<sup>55</sup>, in this decision, various factors have been laid down to be considered for determining whether two products are of goods of the same descriptions or can be termed as similar goods.
    - Nandani Delux v. Karnataka Cooperative<sup>56</sup> where milk and milk products on the one hand and restaurant/food products on the other were held to be different goods.
  - In *Mittal Electronic v. Sujata Home Appliances*<sup>57</sup>, The ld. Single Judge of the Delhi High Court holds that the mark 'SUJATA' was used by the Plaintiff for mixers, grinders, and the Defendant was using the mark for water purifiers, RO filters etc. The Court held that the good under examination in the said case were different goods.
  - *V* Guard Industries *v*. Crompton Greaves <sup>58</sup>, the mark 'PEBBLE' was being used for irons and water heaters. The Court was of the view that the goods were not cognate and allied.
  - In *Raman Kwatra v. KEI Industries*<sup>59</sup>, the ld. Division Bench of this Court held that cables, wires, electricals and

<sup>&</sup>lt;sup>55</sup> [1996] F.S.R. 281

<sup>56 2018</sup> SCC Online SC 741

<sup>&</sup>lt;sup>57</sup> 2020 SCC OnLine Del 2658

<sup>&</sup>lt;sup>58</sup> 2022 SCC OnLine Del 1593

<sup>59 2023:</sup>DHC:0083-DB





electronic instruments cannot be considered as cognate and allied to television and computer, and other electrical appliances.

- One of the products manufactured P.M. Diesels' is a diesel engine, used for generation of power, whereas Thukral's product is centrifugal pump which is used for 'drawing water'. There may be some common trading channels, however, diesel engines can be used in a larger market including in households, commercial spaces and in the agricultural sector. Merely because there can be some channels which are common, the goods cannot be held to be cognate and allied. (P.M. Diesels use the mark 'FIELDMARSHAL' for diesel engines, solar pumps and supplies to diesel engines to Mahindra & Sonalika, Kerala govt. etc. On the other hand, Thukral Mechanical Works uses the mark 'FIELDMARSHAL' for electric motors, valves, pullies, centrifugal pumps, and flour mills.
- iii) That P.M. Diesels' conduct does not deserve grant of an injunction. Mr. Shiv Avatar Gupta, PW/4 had produced a document, which was taken on record on 12<sup>th</sup> February, 1996. He was cross examined thereafter, and the carbon copy of an invoice dated 22<sup>nd</sup> October, 1995 was confronted to him, which according to Thukral bore the mark 'FIELDMARSHAL SPI ISI'. The original invoice was stated to be in the possession of Mr. Shiv Avtar Gupta. The witness was asked to produce the original, however, he refused to do so and merely produced a photocopy. In the photocopy, the word 'FIELDMARSHAL' had been obliterated and the Court (vide order dated 17<sup>th</sup> December, 1998) was constrained to observe that the said witness was deliberately





withholding the original invoice. The argument canvassed by P.M. Diesels against Thukral Mechanical Works of having forged invoices before the Trade Marks Registry do not deserve consideration. Since, P.M. Diesels itself is guilty of producing forged invoice, in view of this conduct, no relief is liable to be granted.

- v) Unless P.M. Diesels succeeds on the issues of passing off, Thukral deserves an injunction in respect of those products for which Thukral Mechanical Works' mark is registered. P.M. Diesels' witness has admitted on record, as it is evidenced from some of the letters, that P.M. Diesels was not using 'FIELDMARSHAL' for pumps until 1992. There are merely five invoices which have been produced which are also of doubtful origin, thus Thukral deserves to succeed.
- vi) That Thukral has been a concurrent user of the 'FIELDMARSHAL' mark since 1965, arguing that P.M. Diesels' earlier use by only two years has not established any significant reputation or goodwill. Additionally, Thukral Mechanical Works benefits from statutory rights due to their trade mark registration. P.M. Diesels attempted to cancel this trade mark on grounds of non-use by Thukral's predecessor, however the cancellation petition was ultimately dismissed by the Supreme Court. The key witness who could have testified about Thukral's use of the mark, Mr. Jain, was not cross-examined by P.M. Diesels. Thus, Mr. Singh argues that based on three main points—Thukral's registration, P.M. Diesels' lack of reputation as of 1965, and the failure to examine a crucial witness—Thukral has a strong case against the granting of any injunction.
- vii) Both the parties have to respect each other's use of the mark





'FIELDMARSHAL' as concurrent users. Thukral already has an established market under brand name 'FIELDMARSHAL' and is also the registered owner of the said brand.

viii) That P.M. Diesels' case is based on the following falsities:

- P.M. Diesels' claim of user of centrifugal pumps is false.
- P.M. Diesels claims that it acquired knowledge of Thukral in 1982 was false. Inasmuch as Mr. Aneja himself had written letters to Thukral and was aware of them much prior to 1982.
- ix) In conclusion, following aspects are emphasised:
  - That the reputation and goodwill prior to the adoption by Thukral has not been proved by P.M. Diesels. Merely a statement of sales and expenditure is not enough in terms of the judgment of the Supreme Court in *Brihan Karan Sugar Syndicate Private Limited v. Yashwantrao Mohite Krushna Sahakari Sakhar Karkhana<sup>60</sup>*. He relies upon paragraphs 10 till 13 of the said judgment to argue that the Supreme Court categorically held that the Chartered Accountant's certificate cannot be relied upon without producing Chartered Accountant for proof of sales.
  - That there was clear acquiescence by P.M. Diesels of Thukral's use of the mark. He submits that Mr. K.C. Aneja, who was the authorized representative of P.M. Diesels, had himself purchased the products from Thukral. Thus, there is no explanation for the gap between 1978 till 1985 when the suit was filed by P.M. Diesels. This conduct ought to be read as acquiescence.

<sup>&</sup>lt;sup>60</sup> 2023 INSC 831.





Lastly, Mr. Hemant Singh, ld. Counsel submits that P.M. Diesels has relied upon the decision of Justice Endlaw in *Dabur India Ltd. v. Alka Ayurvedic Pvt. Ltd.*<sup>61</sup>, to argue that replication would also constitute pleading. However, it is his submission that the principle enunciated in *Anand Construction (supra)* is not countered in *Dabur v. Alka (supra)* inasmuch a plea of invalidity raised in the written statement.

51. In the written submissions dated 9<sup>th</sup> October, 2023, Thukral has made the following submissions:

- It is contended that PW-3- Mr. Karam Chand Aneja, acting as a Constituted Attorney for P.M. Diesels, was involved in ordering pumps under the said mark from Thukral, both directly and indirectly, on a commission basis. Evidence provided includes invoices dated 18<sup>th</sup> August, 1978 and 25<sup>th</sup> October, 1978 issued by Thukral to Marshal Machinery Sales Corporation, linked to R.D. Aneja (PW-5), specifically mentioning 'FIELDMARSHAL' centrifugal pumps. This evidence, according to Thukral, contradicts P.M. Diesels narrative, showing an ongoing business relationship well before the present suit was filed. Thus, indicating at least some level of knowledge and involvement by PW-3 and PW-5 in transactions involving the pumps bearing the said mark since 1978.
- Carbon copies are not primary evidence in terms of Section 62 of the Evidence Act, 1872, and are in fact, secondary evidence in terms of Section 63 of the Evidence Act, 1872. Whether a document is primary

<sup>&</sup>lt;sup>61</sup> 2018 (73) PTC 517





or secondary evidence, depends on nature of the document. In case of invoices or documents issued to a third party, carbon copies cannot be considered as primary evidence in the absence of original, particularly when document is disputed.

- On the submission that P.M. Diesels has not examined Mr. K.C. Jain, Thukral primarily urges that there is no hard and fast rule preventing a witness present in Court from being examined later. Instead, it is within the Court's discretion, as a matter of practice, to request that witnesses not be present during the deposition of others, aiming to prevent their testimonies from being influenced. In the case at hand, no request was made to have Mr. K.C. Jain, a witness for P.M. Diesels, leave the Courtroom during other depositions, nor did the Court bar him from testifying.
- On the issue of personal knowledge of the witness, according to Section 67 of the Evidence Act, 1872, Thukral argues that for a document alleged to be signed or written by an individual, the authenticity of that signature or handwriting needs to be proven, placing the responsibility on P.M. Diesels, which introduced the invoices as evidence. However, there was no testimony from PW-2 to identify the signatures on these invoices. Further, it is argued that Section 32 of the Evidence Act, 1872 which P.M. Diesels inapplicable, as it addresses statements made by persons who are deceased, cannot be found, are incapable of giving evidence, or cannot be procured without significant delay, none of which applies to the current context of company invoices maintained in the normal course of business. Lastly, the rebuttal highlights that statements regarding sales and advertisements were not formally





presented by PW-2, who also admitted not preparing or signing the mentioned invoices (PW 2/2). In Thukral suit, DW-1 indicated that the financial figures were provided by his brother and then by the finance department, and while these books are audited, the auditor was not examined to verify this information.

## **Rejoinder Submissions**

52. In rejoinder submissions, Mr. Mahabir, Id. Counsel relied upon a decision of the District Judge, Rajkot in a suit filed by P.M. Diesels against a third party- M/s.Patel Field Marshal Agencies. In the said case, i.e., the trade mark *Suit Number 1/2009* titled *'P.M. Diesels Pvt. Ltd. v. M/s.Topland Engines Pvt. Ltd. and M/s.Patel Field Marshal Agencies'*, an injunction was granted on 28th September, 2018. However, thereafter, the parties entered into a settlement and the Defendants changed the name to 'TOPLAND ENGINES PVT LTD.', attesting to the fact that third- parties also recognise P.M. Diesels' rights in the mark 'FIELDMARSHAL'. He submits that in his written submissions, he has dealt with all the submissions made by Mr. Hemant Singh and he does not wish to repeat the same for the sake of brevity. 53. In the written submissions dated 9<sup>th</sup> October, 2023, P.M. Diesels has made the following submissions:

Thukral cited the statement of PW-3, wherein PW-3-Mr. Karam Chand Aneja mentioned not purchasing any pumps from Thukral but stated that he had sent goods bearing the mark 'BMS' on behalf of Thukral. Thukral pointed to invoices from 1978 (P-1 to P-13) addressed to PW-5 (Marshal Machinery Sales Corporation) to suggest that PW-3's statement was false, indicating purchases were made. At this point, PW-3 clarified that he was a sleeping partner in Marshal Machinery





Sales Corporation between 1974 and 1977 and only started M/s. Yogesh Machinery Store in 1978, thus unaware of transactions made by PW-5 in 1978. A detailed chart comparing statements of PW-3 and PW-5 was submitted to argue that Thukral's use of Marshal Machinery's 1978 invoices to suggest purchases by M/s. Yogesh Machinery is misleading. DW-1 acknowledged that no invoices were issued to PW-3 by Thukral. Thus, Thukral is accused of trying to mislead the Court. It was also emphasized that no pump bearing the mark 'FIELDMARSHAL' was sold to either PW-3 or PW-5, a fact consistently supported by witness testimonies, and no evidence to the contrary has been presented by Thukral.

- According to Section 62 of the Evidence Act, 1872, carbon copy is primary evidence.
- Reliance is placed on *Dabur India Ltd. (supra)* and *Keshav Metal Works v. Jitender Kumar Verma*<sup>62</sup> to argue that replication forms part of the pleadings.
- On the submission of Thukral that P.M. Diesels did not produce Mr. Kailash Chand Jain, it is argued that P.M. Diesels was compelled to exclude Mr. Kailash Chand Jain from testifying after he was observed in the Court during the cross-examination of PW-2, contravening the rule that witnesses should not be present to hear the deposition of others before giving their own evidence. Delhi High (Original Side) Rules 1967 at Chapter XII Rule 4 and Delhi High (Original Side) Rules 2018 at Chapter XI, Rule 33 mandate this procedure to be followed in

<sup>62 1993</sup> SCC OnLine Del 652, para 17





recording of evidence. Reliance is placed on decisions such as Lalmani v. Bejai Ran<sup>63</sup>, Atchyutana Pitchaiah Sarma v. Gorantla Chinna Veerayya, (1961 SCC OnLine AP 2, para 4), Raman Kirpal v. State of UP and Ors, (MANU/UP/1690/2006).

It is submitted that personal knowledge of witness is not required to read a document in evidence under Section 32(2) of the Evidence Act, 1872. Thukral contended that PW-2, who became the Managing Director in 1985 and was in the position again in 1994, lacked personal knowledge of invoices from 1963 submitted as evidence. However, P.M. Diesels submit that PW-2 had filed invoices along with annual sales and advertisement figures from the company's records, marking these as PW-2/2 without being questioned regarding his direct knowledge of these documents, aside from whether he prepared or signed them. In a parallel instance, DW-1, the Managing Director in 2016 in the second suit filed by Thukral, presented similar types of documents as evidence and explained their source, including reliance on information from his predecessor. Under company law and CPC, the Managing Director's statement regarding company affairs is authoritative and binding. Importantly, Section 32(2) of the Evidence Act, 1872 stipulates that for documents maintained in the normal course of business, personal knowledge by the person presenting the documents is not a requisite, allowing for the admissibility of such documents in evidence, without direct personal acquaintance with their creation or origin.

<sup>&</sup>lt;sup>63</sup> AIR 1934 All. 840, paragraph 2





- The onus to prove use of the mark as claimed in Thukral's registration was on Thukral. Once the Plaintiff asserts in the rectification petition being *C.O. 6/1987*, that the said mark has not been used by either M/s. Jain Industries for centrifugal pumps, the onus shifts on Thukral. Further, P.M. Diesels cannot be expected to prove the negative of non-use of the mark. Documents have been already filed in (*Comm*) 473 of 2016 showing that M/s. Jain Industries never used the mark in respect of centrifugal pumps<sup>64</sup>.
- P.M. Diesels did not consent to Thukral's use of the 'FIELDMARSHAL' mark. Witnesses PW-2 and PW-3 testified about attempts to purchase pumps bearing the said mark from Thukral to prove unauthorized use, but Thukral avoided directly selling to P.M. Diesels' dealers, with invoices (of 1982) indicating sales under the 'BMS' mark only. Additionally, witnesses DW-2 and DW-3 failed to of invoices demonstrating Thukral's the present any use 'FIELDMARSHAL' mark before 1985, reinforcing that there was no delay or acquiescence on the part of P.M. Diesels.

54. Mr. Mahabir, ld. Counsel and Mr. Hemant Singh, ld. Counsel have both relied on their written submissions, which have been filed as the final set of submissions in these matters.

<sup>&</sup>lt;sup>64</sup> Thukral's Compilation, 'Original Catalogue of the shop of M/s. Jain Industries' p. 867-902.





# C. Discussion & Analysis of Evidence

55. In light of the chronology of events and the submissions detailed above, the present suits and the cancellation petition are be primarily considered on the basis of passing off. The 1985 suit and the cancellation petition are governed by the 1958 Act, and hence for the purposes of the decision in this judgement, the 1958 Act is the relevant statute.

56. In the 1985 suit, P.M. Diesels seeks an injunction against Thukral for passing off *qua* centrifugal pumps and Thukral seeks an injunction against P.M. Diesels regarding centrifugal pumps in the 1992 suit. Thukral has no objection to P.M. Diesels using the 'FIELDMARSHAL' mark for diesel oil engines, but opposes its use for centrifugal pumps. Therefore, the dispute centres on the use of the 'FIELDMARSHAL' mark for centrifugal pumps.

57. On 11<sup>th</sup> March, 2022, both the parties gave their no objection to the present bench to hear these matters. Accordingly, the Court proceeded to hear final arguments, post-trial and reserved judgment on 16<sup>th</sup> October, 2023.

## Analysis of the evidence led by both the parties:

## Oral Evidence on behalf of P.M. Diesels:

58. In both the suits, as well as in the cancellation petitions, the witnesses who have deposed on behalf of P.M. Diesels are:

## 58.1 PW-1 – Mr. J.R. Vekaria, partner of M/s. J. Chandrakant & Co.

• His firm- M/s. J. Chandrakant & Co. was one of the selling agents of the manufactured goods by P.M. Diesels. He deposed that M/s. J. Chandrakant & Co. was established in 1968 and that it was selling diesel oil engines along with pump sets under the





mark 'FIELDMARSHAL'. He stated that the said diesel engines and pumps were manufactured since 1963 and 1975, respectively. He stated to have also sold centrifugal pumps and engines from 1975. He relied upon certain contracts with third parties and exhibited the same. He also placed on record the actual carbon copies of bills in favour of third parties to show the sale of centrifugal pumps. He identified the signatories of these invoices. He also deposed that centrifugal pumps were sold by him under the mark 'FIELDMARSHAL' brand, and the same was corroborated with the original account books. The annual turnover was stated to be over Rs.40 crores of products only under the brand 'FIELDMARSHAL'<sup>65</sup>. He also deposed that he was paying excise duty and central sales tax.

• In cross-examination, he denied the suggestion that P.M. Diesels was only manufacturing diesel oil engines. The suggestion of fabrication of sales was also denied. He refuted the suggestion that he never purchased pumps from P.M. Diesels. He deposed that his firm was the sole selling agent for P.M. Diesels' products throughout India, except for South India. He explained that the reason some documents did not mention centrifugal pumps was that those bills were old prints. He denied the suggestion that P.M. Diesels did not manufacture centrifugal pumps. He could not specify the number of pumps he had purchased from P.M.

<sup>&</sup>lt;sup>65</sup> P.M. Diesels' Compilation, 'Cross-examination of PW-1 – Mr. J.R. Vekaria, partner of M/s.J. Chandrakant & Co.' p. 87.





Diesels. Certain details were requested from the witness relating to bills, books of accounts, etc.

 He also testified that there was a dealership agreement for 'FIELDMARSHAL' centrifugal pumps entered into between M/s. J. Chandrakant & Co. and M/s. Indira Engineering on 23<sup>rd</sup> April, 1975 (Ex. PW 1/1). Under this agreement, M/s. Indira Engineering agreed to manufacture centrifugal pumps under the name and style of 'FIELDMARSHAL', with the written authorization of M/s. Patel Manufacturers, Rajkot, and with the understanding that the said mark was the property of M/s. Patel Manufacturers, Rajkot.

# 58.2 <u>PW-2- Mr. Chandrakant Popatlal Patel – Managing Director of</u> <u>P.M. Diesels</u>.

- He was a partner at M/s. Patel Manufacturers, established in 1963.
   P.M. Diesels took over the business of M/s. Patel Manufacturers in 1980, and thereafter it was converted to M/s. P.M. Diesels Ltd. in 1988.
- He testified that M/s. Patel Manufacturers had begun manufacturing diesel oil engines under the brand name 'FIELDMARSHAL' and that the yearly turnover of P.M. Diesels exceeded Rs.60 crores. According to him, 1% of the total turnover was allocated to advertising. He asserted that he had over 1400 dealers nationwide and that the products were also marketed in the Middle East, Far East, and African countries. He further stated that, besides diesel oil engines, his firm was manufacturing centrifugal pumps, monoblock





pumps, and submersible pumps. According to him, the pump could operate either with diesel engines or with electric supply. Both products were marketed to individuals in the agricultural sector. He deposed that centrifugal pump(s) had been manufactured since 1974-75 under the brand name 'FIELDMARSHAL'.

- Initially, the firm had a contract with M/s. Indira Engineering for the manufacture of centrifugal pumps, but from 1980-81, the firm itself began manufacturing centrifugal pumps. Mr. Patel mentioned that in 1978-79, he learnt from a customer about the presence of duplicate 'FIELDMARSHAL' centrifugal pumps in the market but was unable to trace the origin of these products. He confirmed knowing Mr. K.C. Aneja, who was the General Manager of the firm, and acknowledged that a power of attorney was issued to Mr. K.C. Aneja.
- He also stated that various advertisements were published by the firm for product sales between 18<sup>th</sup> May, 1963, and 28<sup>th</sup> December, 1984. The first advertisement was claimed to have been issued in a newspaper called *Phulchap*, for which relevant documents were presented<sup>66</sup>. Subsequent advertisements were stated to have been issued in Dainik Assam, Times of India (Ahmedabad Edition), Dinamani (Madras Edition), Andhra Prabha (Bangalore Edition) as well as Vijayawara Edition, Amar Ujala (Agra Edition), Rajasthan Patrika (Jaipur Edition), Aaj (Meerut Edition), etc <sup>67</sup>. He also provided testimony regarding the registrations owned by the firm.

<sup>&</sup>lt;sup>66</sup> P.M. Diesels' Compilation, 'Original receipt of first advertisement of Fieldmarshal in Phulchap in 1963' p. 215.

<sup>&</sup>lt;sup>67</sup> P.M. Diesels' Compilation, 'Original Newspaper showing advertisement' p. 216-360.





- He mentioned that in 1984-85, information was again received about some centrifugal pumps being introduced in the market under the brand name 'FIELDMARSHAL'. It was only after filing of the present suit that the witness learnt about M/s. Jain Industries holding the registration for the mark 'FIELDMARSHAL', which, according to him, manufactured only flour mills and not centrifugal pumps. A cancellation petition was filed, and it was thereafter that Thukral Mechanical Works acquired the said mark from M/s. Jain Industries. According to the witness, P.M. Diesels suffered damage due to the use of the mark 'FIELDMARSHAL' by Thukral Mechanical Works.
- He stated that the buyers of both products, i.e., diesel oil engines and centrifugal pumps, were the same and that they were sold at the same counters to the same customers.
- In cross-examination, the witness admitted joining the partnership in 1974 after reaching the age of 18. He disclosed his active involvement in the business of M/s. Patel Manufacturers during 1978-79 and acknowledged having no personal knowledge of the business prior to that time. From 1985, he served as the Managing Director of P.M. Diesels. He confirmed that a central excise license was required for manufacturing of centrifugal pumps and diesel engines but was unable to provide details of the excise licenses obtained.
- He testified that M/s. Indira Engineering also had a license to manufacture centrifugal pumps and that there was an agreement between M/s. Indira Engineering and M/s. Patel Manufacturers, which he could produce. The invoices from M/s. Indira Engineering





were issued to a sister concern of P.M. Diesels, M/s. J. Chandrakant & Co., who had an agreement between them for the purchase of centrifugal pumps.

- He could not recall when the first advertisement for centrifugal pumps was issued. He confirmed that he recognised his father's signature Mr. Popat Bhai Narsingbhai Patel. He was also familiar with trade mark registrations applied for by his company for the said mark. He acknowledged having authorized agents in Kanpur under the name Field Marshal Agencies. He was aware of M/s. Yogesh Machinery Stores, with one of the partners being Mr. K.C. Aneja, clarifying that Mr. Aneja was not an employee, but an agent.
- He stated that the bills relied upon, marked as Ex.PW-2/2, were neither prepared nor signed by him. He refuted the suggestion that Thukral Mechanical Works had been manufacturing centrifugal pumps since 1973 or that the authorized agents of P.M. Diesels were purchasing centrifugal pumps from Thukral Mechanical Works.
- Sales figures provided in his examination-in-chief pertained to the company's total sales. He confirmed that central excise duty was paid, as necessary. He denied the suggestion that the 'FIELDMARSHAL' logo was created by him and did not specify the year in which it was created. He emphatically denied the suggestion that P.M. Diesels did not manufacture centrifugal pumps.

## 58.3 PW-3- Mr. Karam Chand Aneja, AR and Dealer of P.M. Diesels

• He served as a power of attorney holder for P.M. Diesels and had been a dealer for the company since 1978, selling diesel engines and centrifugal pumps under the 'FIELDMARSHAL' brand. He was also





authorized to file the suit and the cancellation petition (*C.O. 6/1987*) on behalf of P.M. Diesels. He acknowledged familiarity with Thukral Mechanical Works since 1975 but stated that he had never purchased any products from them, although he had distributed some of their goods to dealers around Delhi.

- According to him, P.M. Diesels began selling centrifugal pumps in 1975 and was aware of M/s. Indira Engineering in Ahmedabad, which manufactured pumps supplied to P.M. Diesels. M/s. Nitin Machine Tools was mentioned as another manufacturer of electric motors and centrifugal pumps supplied to P.M. Diesels, and M/s. Alfa Company was noted for manufacturing centrifugal pumps, motors, and monoblock pumps under the 'FIELDMARSHAL' mark.
- He stated that P.M. Diesels had over 100 dealers in Haryana, selling 8,000 to 9,000 diesel engines annually. Further, 200 to 300 centrifugal pumps were sold yearly in Haryana. He stated that his brother and father had been selling centrifugal pumps under the 'FIELDMARSHAL' brand since 1968. He deposed that P.M. Diesels began manufacturing its centrifugal pumps around 1980-81, prior to which they were sourced from M/s. Indira Engineering.
- Around 1980-81, he stated that duplicate centrifugal pumps and diesel engines were coming into the market, prompting the purchase of these items and the submission of bills to P.M. Diesels. Following the suit, he learnt of an injunction in favour of M/s. Jain Industries. However, a visit to Agra revealed that M/s. Jain Industries manufactured flour mills, not centrifugal pumps, leading to the filing of a rectification petition. Upon discovering that M/s. Jain Industries had transferred the





mark to M/s.Thukral Mechanical Works, a fresh rectification petition was filed.

- Mr. Karam Chand Aneja, during his cross-examination, provided details about his professional background and associations with various businesses. He confirmed the establishment of M/s. Yogesh Machinery Stores in 1978 by his two sons, Mr. Rajesh and Mr. Yogesh, as partners. He mentioned that he was in government service from 1959 until June 1974 and acknowledged the existence of another family business-Marshal Machinery Sales Corporation in Karnal.
- Mr. Aneja stated that his firm's role was confined to that of a distributor for P.M. Diesels. He started in 1978, and by 1996, was serving as a distributor for eight districts in Haryana, although initially, he was the sole distributor for the State.
- He described his personal involvement in booking orders from various dealers using an order booking form and receiving product catalogs from P.M. Diesels, though he was never an employee there. Mr. Aneja also mentioned not maintaining sales, purchase, or stock records for P.M. Diesels and expressed no interest in the day-to-day operations of M/s. Marshal Machinery Sales Corporation, which also retailed goods from P.M. Diesels exclusively. According to him, that firm was also selling the goods only of P.M. Diesels.
- He stated to have obtained knowledge in 1980-81 of Thukral Mechanical Works producing and selling centrifugal pumps under the 'FIELDMARSHAL' mark. When he went to Sirhind to book orders, he tried to purchase the same but could not do so. In 1981, he booked orders for Thukral Mechanical Works but not for products under the





'FIELDMARSHAL' mark, and he did not inform P.M. Diesels about Thukral since none of the purchased goods bore the 'FIELDMARSHAL' mark.

- He instructed authorized dealers of P.M. Diesels to purchase goods from Thukral under the 'FIELDMARSHAL' mark, but these attempts were unsuccessful.
- He denied the suggestion that any products were sold to him under the mark 'FIELDMARSHAL'. Three letters were exhibited and he confirmed having issued those letters being Ex.3/3, 3/4 and 3/5. He did not recall if he had personally visited the office of Thukral Mechanical Works in 1975 or their factory at any point in time.

## 58.4 PW-4- Mr. Shiv Avtar Gupta on behalf of P.M. Diesels

- He is a shopkeeper in Teli Mandi, Haryana, who gave evidence that he sold diesel engines, centrifugal pumps, electric motors, and other equipment required by agriculturists in his shop. He was aware of P.M. Diesels and stated that P.M. Diesels' goods were sold under the mark 'FIELDMARSHAL'. He also stated that P.M. Diesels manufactures diesel engines, monoblock pumps, and centrifugal pumps.
- He confirmed one of the bills issued by Thukral dated 8th March, 1974, exhibited as Ex. PW-4/1<sup>68</sup>, without any mark. He stated that he had purchased pumps and diesel engines bearing the marks BMS, Varun type, and DPF type from Thukral Mechanical Works. He stated that he had never purchased goods bearing the mark 'FIELDMARSHAL' from

<sup>&</sup>lt;sup>68</sup> P.M. Diesels' Compilation, 'Bill dated 8.3.1974 issued by Defendant' p. 398.





Thukral Mechanical Works but only from P.M. Diesels through its dealer, Alpha Stores.

- In cross-examination, he stated that he had studied only up to the 7th standard and thereafter joined his father in business. He further stated that he had known of Thukral Mechanical Works since the 1970s and had purchased goods with bills. He was confronted with an order form dated 12<sup>th</sup> October, 1995, regarding which he wanted to check the record. He denied the suggestion that he had been purchasing centrifugal pumps from Thukral Mechanical Works under the mark 'FIELDMARSHAL' since 1973. He deposed that P.M. Diesels had supplied goods to him under the mark 'FIELDMARSHAL' through a distributor in Delhi.
- Shiv Avatar Gupta again appeared on 7th February, 1996. He was cross-examined in respect of the bill dated 8th March, 1974. He again appeared on 16th September, 1998 in respect of the invoice dated 22nd October, 1995. He had only filed a copy of the same. The word 'FIELDMARSHAL' was missing in the same but in the carbon copy, the mark 'FIELDMARSHAL' was present. This witness was again called by the Court to remain present. Vide order dated 17th December, 1998, it was held by the Court that he was concealing the original of the invoice dated 22nd October, 1995. The carbon copy of the invoice produced by Thukral was admitted and exhibited as exhibit PW 4/D-1.

## 58.5 PW-5- Mr. Ram Dhan Aneja, Dealer of P.M. Diesels.

• His firm was known as M/s. Marshal Machinery Sales Corporation, which had been operating for 20 years when he gave evidence in 1996, i.e., since 1976. He deposed that initially, they were dealers of P.M.





Diesels but thereafter became distributors. He confirmed having purchased monoblock pumps, centrifugal pumps, and diesel engines from P.M. Diesels since approximately 1969. And then started purchasing centrifugal pumps since 1975-76, respectively. He stated that centrifugal pumps cannot be used without diesel engines. He deposed that Thukral was known to him as they were purchasing BMS pumps from them.

In cross-examination, he stated that sometimes orders were booked with P.M. Diesels by telephone and sometimes by letters; even distributors used to come and take orders personally. Last dealings with P.M. Diesels were stated to have been between 1968-69 and 1976-77. He confirmed that the bill Ex. PW-5/3<sup>69</sup> was signed by him. This is a bill of Thukral having no mark. He denied the suggestion that he did not purchase any centrifugal pumps from P.M. Diesels under the mark 'FIELDMARSHAL' and that he was purchasing centrifugal pumps only from Thukral Mechanical Works.

## 58.6 PW-6- Mr. Rajender Kumar, Dealer of P.M. Diesels.

- His firm- M/s.Taluja Iron & Steel Works, is located in Panipat and he was a dealer of P.M. Diesels. He also confirmed that he was selling P.M. Diesels' monoblock pumps, diesel engines and electric motors under the mark 'FIELDMARSHAL'.
- He confirmed the existence of the bill dated 18<sup>th</sup> December, 1979, which was marked as Exhibit PW-6/1 and Exhibit PW-6/1A, both the copy and the original. He deposed that he was receiving goods from

<sup>&</sup>lt;sup>69</sup> P.M. Diesels' Compilation, 'Bill issued by Defendant to PW5' p. 405.





Thukral under the marks Varuna, DPF, and DMS. He stated that he had been aware of the business operations of the shops since 1975-76, which is when he became acquainted with Thukral Mechanical Works. He denied the suggestion that Thukral Mechanical Works was selling to him under the mark 'FIELDMARSHAL'. He also refuted the claim that P.M. Diesels was not manufacturing centrifugal pumps and that he was not purchasing them from the company.

- 58.7 <u>DW-1 in CS(Comm) 473/2016 (1992 Suit)- Mr. Nitin Patel,</u> <u>Director of P.M. Diesels (Defendant No. 3).</u>
  - In *CS(Comm)* 473/2016, this witness exhibited DW-1/1 to DW-1/28. He stated that his father had started the firm, and he joined P.M. Diesels in 1987-88. He was also working with M/s. Nitin Machine Tools since 1991-92, though he was not aware of the capacity in which he was working in both entities. He stated that M/s. Patel Manufacturers, which was a partnership firm of Mr. Popatlal N. Patel, i.e., his father, and Mr. C. N. Patel, started business under the mark 'FIELDMARSHAL' with diesel oil engines in the year 1963.
  - He stated to have knowledge since the early 1970s from his father and his elder brother. He actively participated in the business after 1987. He stated that he might have signed some partnership deeds or legal documents, though he could not locate the same prior to 1987. He had knowledge of the constitution of his own firm, which continued to change between the 1960s and 1970s. He stated that he was not in the business of M/s. Patel Manufacturers when the constitution continued to change. According to him, M/s. Patel Manufacturers started the sale





of diesel oil engines under the trade mark 'FIELDMARSHAL' in the year 1963.

- As per him, P.M. Diesels was incorporated in 1980, and with the same two promoters, there was a written agreement between P.M. Diesels and M/s. Patel Manufacturers for the takeover of the assets. He agreed that he was not the director in P.M. Diesels but was the partner of the firm M/s. Patel Manufacturers in 1980. He was aware of M/s. J. Chandrakant & Co.
- Most of his cross-examination pertained to the individuals, various entities, and their respective associations. He acknowledged knowing Mr. J. R. Vekaria. He verified that M/s. J. Chandrakant & Co traded P.M. Diesels' goods until 2009-2010. He affirmed that the manufacturer must pay excise duty, which is included in the goods' sale price. He mentioned that his knowledge of M/s. Indira Engineering Ahmedabad Pvt. Ltd. was derived from his father and elder brother. The partners of M/s. Patel Manufacturers were not involved with M/s. Indira Engineering. In reality, they were purchasing pumps from M/s. Indira Engineering. He confirmed that this information was provided to him by his father and elder brother. He suggested that there might have been agreements between M/s. Patel Manufacturers and M/s. J. Chandrakant & Co., as well as between M/s. Alpha Engineers & M/s. Patel Manufacturers and P.M. Diesels. He affirmed that M/s. J. Chandrakant & Co, M/s. Alpha Engineers, M/s. Indira Engineering, and M/s. Nitin Machine Tools were not the proprietors of the mark 'FIELDMARSHAL' for any goods.





- Cross-examination was also conducted on Mr. Nitin Patel regarding various invoices. He denied the suggestion that the invoice was forged and fabricated. He also confirmed the names of other distributors and dealers of P.M. Diesels. He was aware of the trade mark application made by P.M. Diesel, bearing no. 389729, and was unaware of why it was filed on a *"proposed to be used"* basis. He was also familiar with the 10 applications for the registration of the mark 'FIELDMARSHAL' and the oppositions thereto.
- He admitted not knowing who maintained the books of accounts for P.M. Diesels from 1963 to 1975 or in the years that followed. According to him, the officials of the finance department were responsible for maintaining the books of account. He affirmed that he did not personally maintain the books of accounts. He received the sales figures from his elder brother, who was in the finance department, and had not verified the amounts personally. He stated that the sales figures given to him by his brother, Mr. C.P. Patel, were duly exhibited as Ex. DW 1/7 and Ex. DW 1/8. He provided the names of a few accountants and chartered accountants who maintained the books. He was unaware if any dealers or distributors had sought rights as registered users of P.M. Diesels' registered marks.
- He was cross-examined on several documents, including agreements. He was also unaware of any royalties paid by M/s. J. Chandrakant & Co to M/s. Indira Engineering. He did not know the total number of pumps sold under the said dealership agreement. He stated that Mr. Mirchandani was authorized by P.M. Diesels to issue the caution notices, but he was not sure if anyone had checked the caution notices.





- He could not explain why centrifugal pumps were not mentioned in the caution notices, placing reliance on exhibit DW 1/19.
- He confirmed that centrifugal pumps had been procured from M/s. Indira Engineering since 1973 to 1974. Thereafter, P.M. Diesels began manufacturing the centrifugal pumps for a few years. Such pumps were also sourced from M/s. Alpha Engineers and M/s. Nitin Machine Tools, thereafter known as M/s. Nitin Pumps, and from Trishul pumps. He confirmed that M/s. Nitin Machine Tools, of which he is a director, pays royalties to P.M. Diesels on an annual basis.
- M/s. Batliboi and Company used to sell products of P.M. Diesels India. He was unaware whether M/s. Batliboi outside also manufactures centrifugal pumps. One of the invoices confronted to him was clarified by him, stating that the said purchase orders were for diesel engines and for channel base plates for centrifugal pumps, and not for centrifugal pumps themselves. He had no knowledge of M/s. Jain Industries but had learnt of it only from his brother. He stated that he had not conducted any survey regarding the businesses of M/s. Jain Industries. He was unsure when he acquired knowledge of the registration of the mark 'FIELDMARSHAL' in the name of M/s. Jain Industries. He was not sure of the reason for the withdrawal of C.O. *No. 9/86* and why the mark of M/s. Jain Industries was not opposed by M/s. Patel Manufacturers or P.M. Diesels.
- He agreed that in the year 1991, when M/s. Nitin Machine Tools Pvt. Ltd. was incorporated, he and his family were aware of the mark 'FIELDMARSHAL' which was registered in the name of Thukral. He was unaware of how he came into possession of the documents Ex.





DW-1/20 to Ex. DW-1/23, as well as Ex. DW-1/27. He was aware that M/s. Jain Industries were in the business of manufacturing flour mills under the mark 'FIELDMARSHAL'. He denied that M/s. Jain Industries was manufacturing centrifugal pumps since 1963. He was not aware of the registration in favor of M/s. Jain Industries in respect of centrifugal pumps.

- He was not aware whether Mr. Kailash Chand Jain was summoned as a witness. He confirmed that Mr. K.C. Aneja was a distributor of P.M. Diesels. He confirmed that Ex. DW-1/14 was a publication given by M/s. Alpha Engineers. He denied that the document DW-1/14 was forged and fabricated. He denied the suggestion that Thukral had been openly using the mark 'FIELDMARSHAL' since 1973 to the knowledge of M/s. Patel Manufacturers. He reaffirmed the sales figures set out in Ex. DW-1/7, as well as the advertising figures. He denied the various suggestions put to him in cross-examination.
- 58.8 Further evidence of Mr. Nitin Patel dated 11<sup>th</sup> July, 2011
  - Apart from reiterating what was said in the 1985 suit, Mr. Patel again stated that P.M. Diesels had been manufacturing monoblock pumps and motors, including centrifugal pumps and parts, under the 'FIELDMARSHAL' mark since 1973-74. He also stated that the firm was advertising the goods in all leading newspapers. The sales statement was exhibited as Ex. DW-1/7, and expenses on advertising were shown as Ex. DW-1/8.
  - He filed additional documents related to M/s. Indira Engineering and M/s. J. Chandrakant & Co., who were also manufacturing and selling 'FIELDMARSHAL' motors and monoblock pumps. He submitted





pamphlets relating to the technical features of the centrifugal pumps manufactured M/s. Alfa Engineers, by featuring the 'FIELDMARSHAL' 'FM' logo. He highlighted that P.M. Diesels had Nitin Machine Tools of appointed M/s. as a user the 'FIELDMARSHAL' mark vide an agreement dated 1st February, 1991.

- Copies of orders placed by M/s. Batliboi & Company Pvt. Limited on P.M. Diesels from 1969 to 1983 were also relied upon for exporting goods to various countries, as were orders placed by Popular Machinery Stores for the period 1974-82.
- He then summarized the litigation that commenced in 1985, including the infringement action and the cancellation petition. According to him, Thukral Mechanical Works was well aware of P.M. Diesels' use of the 'FIELDMARSHAL' mark since 1963 and of centrifugal pumps since 1973-74. The filing of the 1992 suit was merely a counterblast to the suit filed by P.M. Diesels. A substantial amount of money on advertisement and publicity was stated to have been spent by P.M. Diesels, with newspaper advertisements exhibited as Ex. DW-1/18 along with copies of notices and advertisements.
- He stated that P.M. Diesels is the prior user of the 'FIELDMARSHAL' mark in respect of centrifugal pumps and that M/s. Jain Industries had never used the mark in respect of the goods. He submitted the original catalogues, stickers, and photographs of M/s. Jain Industries as Ex. DW-1/20, 21, and 22, along with the original visiting cards, photographs, catalogue, label, and price list of M/s. Jain Industries as Ex. DW-1/23 to 27.





- According to him, these documents conclusively establish that M/s. Jain Industries was only in the business of selling flour mills. He argued that Thukral Mechanical Works adopted the 'FIELDMARSHAL' mark only to dishonestly gain an advantage from P.M. Diesels' mark. It was his case that pumps under the 'FM' mark were found in the market and upon enquiries, it was revealed that Thukral Mechanical Works was using the same. He alleged that the sales figures were fabricated.
- He also challenged the validity of the assignment executed. According to Mr. Nitin Patel, the mark was originally registered by M/s. Jain Industries in the names of Mr. Pooran Chand Jain and Mr. Kailash Chand Jain, trading as M/s. Jain Industries. However, before the assignment was issued in favor of P.M. Diesels, Mr. Pooran Chand Jain had passed away, thus rendering the assignment by Mr. Kailash Chand Jain illegal and void. Prior to the said assignment, P.M. Diesels had already filed the suit, and thus the assignment would not vest any rights in favor of Thukral Mechanical Works.

# Summary of the testimony of P.M. Diesels' witnesses

59. The testimonies from PW-1 to PW-6 present a consistent narrative regarding the sale and distribution of pumps bearing the mark 'FIELDMARSHAL' by P.M. Diesels. On an appreciation of the testimonies of the six witnesses, the following points emerge:

• Like other witnesses, DW-1-Nitin Patel confirms the prior use of the 'FIELDMARSHAL' mark, tracing it back to 1963 when M/s. Patel Manufacturers started the sale of diesel oil engines under this mark. This aligns with the testimonies regarding the mark's longstanding presence in the market.





- Nitin Patel's account of the transition from M/s. Patel Manufacturers to P.M. Diesels, including the takeover of assets, corroborates the narrative provided by PW-2 (Mr. Chandrakant Popatlal Patel) about the evolution of the business entity responsible for products bearing the mark 'FIELDMARSHAL'. This transition is crucial in understanding the continuity of the 'FIELDMARSHAL' mark's use and rights.
- PW-2 (Mr. Chandrakant Popatlal Patel) stated that P.M. Diesels started manufacturing centrifugal pumps under the 'FIELDMARSHAL' mark since 1974-75, while PW-3 (Mr. Karam Chand Aneja), by way of a clarification stated P.M. Diesels began its manufacturing around 1980-81. Actually, PW-3 stated that before 1980-81, P.M. Diesels were sourcing centrifugal pumps under the same mark from M/s. Indira Engineering. According to PW-3, it is only in 1980s that they started manufacturing their own centrifugal pumps. It is further corroborated by DW-1- Nitin Patel that P.M. Diesels started manufacturing and selling monoblock pumps and motors, including centrifugal pumps and parts thereof under said mark in the year 1973/1974 through their sister and associate concerns.
- All witnesses affirm that P.M. Diesels had been using the 'FIELDMARSHAL' mark for a range of products, including centrifugal pumps, since at least the mid-1970s. This consistent claim supports P.M. Diesels' position that it has established rights to the said mark through long-standing and widespread use.
- Witnesses, particularly PW-3 (Mr. Karam Chand Aneja) and PW-4 (Mr. Shiv Avtar Gupta), mentioned attempts to purchase or actual purchases of products from Thukral but clarified that these products





were not under the 'FIELDMARSHAL' mark, but other marks such as BMS, DPF and so on.

- The testimonies by the witnesses do not contradict each other regarding the timeline of manufacturing of the products under the said mark; however, the detailed accounts of when P.M. Diesels started in-house manufacturing of centrifugal pumps versus outsourcing from manufacturers like M/s. Indira Engineering suggest a period of maintaining control over the distribution of 'FIELDMARSHAL' products.
- There is an acknowledgment by PW-3 (Mr. Karam Chand Aneja) of distributing products from Thukral Mechanical Works to dealers, even if not under the 'FIELDMARSHAL' mark. In light of the other corroborated testimonies of the witness, such an acknowledgement does not directly contradict the claim of exclusive rights to the trade mark. It only displays the manner in which the dealers conducted their business with each other and with Thukral.
- Mr. Shiv Avtar Gupta (PW-4)'s testimony involves discrepancies in the invoices, as noted vide order dated 17<sup>th</sup> December, 1998. However, he clearly proved the invoice of Thukral dated 8<sup>th</sup> September, 1974 with respect to centrifugal pumps. In order to balance equities between the parties, this Court would consider the effect of the concealment during the course of this judgment.
- On acquiescence, the deposition given by Mr. K.C. Aneja (PW-3) shows that Thukral's products, namely centrifugal pumps, were not available in the 1970s. It was only in the mid-1980s that the product





became available. Following this, enquiries were conducted, and the 1985 suit was filed by P.M. Diesels.

- All witnesses confirm the fact that Thukral was using the mark BMS, DPF etc. and not 'FIELDMARSHAL' on centrifugal pumps. Invoices to this effect have been proved by the said witnesses as well.
- On the other hand, Thukral's use of the said mark in respect of centrifugal pumps goes back to 1978.
- Mr. Shiv Avtar Gupta (PW-4) presented an invoice dated 8th March, 1974 issued by Thukral, exhibited as Ex. PW-4/1, which did not bear any mark. Mr. Gupta's testimony also included specific invoices, including one dated 22nd October, 1995. According to him, no challenge has been raised to the invoice dated 8<sup>th</sup> March, 1974, and only the invoice dated 22<sup>nd</sup> October, 1995 has been challenged.

# Oral Evidence on behalf of Thukral Mechanical Works

60. In both the suits, the evidence of witnesses who deposed on behalf of Thukral Mechanical Works is set out below:

# 60.1 <u>DW-1 – Mr. Sushil Thukral, Attorney of Thukral Mechanical</u> <u>Works</u>

He is the constituted attorney of M/s. Thukral Mechanical Works. He deposed that Thukral Mechanical Works has existed since 1973 and that it has been using the mark 'FIELDMARSHAL' for centrifugal pumps. He states that the said mark is registered and relies upon Ex. DW-1/1. He further states that he was aware of M/s. Jain Industries using 'FIELDMARSHAL' and that the said firm objected to Thukral's use of the mark 'FIELDMARSHAL' as it had a registration since 1965.





The negotiations that ensued resulted in the said mark being assigned in favor of M/s. Thukral Mechanical Works by M/s. Jain Industries in 1986.

- He deposed that his firm issued invoices for the sale of centrifugal pumps under the mark 'FIELDMARSHAL' and that the said mark was publicized by way of hoardings, newspapers, and other such publicity materials. He also stated that excise duty was paid until 1978-79. Some of the invoices were recognized by him as having been signed by either his brother or himself. He produced the original agreement being Ex. DW-1/2.
- He stated that M/s. Jain Industries had shown him bills for the use of 'FIELDMARSHAL' mark for centrifugal pumps since 1965. According to Mr. Thukral, P.M. Diesels was using the mark 'FIELDMARSHAL' only for diesel engines which they were manufacturing, though it sought registration for diesel oil engines and centrifugal pumps.
- P.M. Diesels' trade mark applications were opposed by Thukral, and he relies upon the orders passed by the Registrar of Trade Marks. He stated that the mark 'FIELDMARSHAL' was inscribed on a plate which was affixed to a pump. He relied upon the carbon copies of bills marked as Ex. MD-1 to Ex. MD-31. He stated that invoices prior to these were lost in the floods. He also stated to be aware of Mr. K.C. Aneja and Mr. R.D. Aneja, who were selling pumps on a commission basis since 1976 under the mark 'FIELDMARSHAL'. He stated that Mr. K.C. Aneja used to purchase the pumps directly but get the bills





issued in the names of other third parties in order to be able to take commission. Such third parties were:

- 1) Singla Toka, Palwal
- 2) Goyal Machinery Store, Hathim
- 3) Bharat Tractor, Charkhi Dadri
- 4) Gupta Engineering Co., Helimandi
- 5) Atak Machinery, Kanpur and for some others also
- In cross-examination, he stated that the records from 1973 till 1982 were completely destroyed. After 1982, the records were partly destroyed. He further stated that the mark 'FIELDMARSHAL' was advertised between 1973 to 1988. On a query as to whether any document has been placed on record, he did not recall the same.
- While denying the filing of a suit by P.M. Diesels in Sirhind, he stated that the suit was not entertained because of lack of jurisdiction. He admitted that he did not take any document regarding user by M/s. Jain Industries of the mark 'FIELDMARSHAL' between 1965 to 1986. He also stated that his firm had applied for 'FIELDMARSHAL' in respect of centrifugal pumps which was opposed by P.M. Diesels. He admitted that certain documents were filed by his firm before the Trade Marks Registry. However, the application was thereafter withdrawn. Those documents could be pertaining to 1973-1980. He admitted that he has not filed any document to show payment of commission to Mr. K.C. Aneja. He stated that he heard about P.M. Diesels for the first time in 1978. He denied that centrifugal pumps only operated with diesel engines.





- 60.2 <u>Further evidence of Mr. Sushil Thukral in suit filed by M/s.Thukral</u> <u>Mechanical Works against P.M. Diesels in CS (Comm) 473/2016.</u>
  - In the evidence by way of affidavit, he claimed prior use and adoption of the mark 'FIELDMARSHAL' since 1973. He further stated to be the registered proprietor of the mark 'FIELDMARSHAL' bearing registration no. 228867 dated 13th May, 1965, as a subsequent proprietor. He further asserted that the original registration was in the name of M/s. Jain Industries and that a Form-23 was filed on 17th June, 1986, which was allowed on 24th October, 1986 by the Registrar of Trade Marks.
  - The constitution of M/s. Thukral Mechanical Works comprised of a partnership firm with Mr. Ganga Ram, Mr. Sunil Kumar, and Ms. Sumita Rani as the partners, and finally, with effect from 1st April, 2002, Mrs. Sumita Rani became the sole proprietress. Since the assignment was with goodwill, according to the witness, M/s. Thukral Mechanical Works retained the exclusive rights in the mark 'FIELDMARSHAL' in respect of centrifugal pumps.
  - He relied upon magazines and newspapers from May, 1988 to September, 1994 to show the publicity given to the mark 'FIELDMARSHAL'. The annual sales stated from 1973 to 1974 till 1992-93 are set out in his affidavit, with the highest sale shown in the year 1991-92 of Rs.97,29,186/-. He deposed to have filed the sale invoices from 1983 to 1994.
  - According to him, P.M. Diesels never manufactured centrifugal pumps. He relied upon a letter dated 19th May, 1992 issued by the agents of P.M. Diesels. According to him, the firm P.M. Diesels was purchasing





centrifugal pumps under the mark 'FIELDMARSHAL' through Mr. K.C. Aneja, brother of Mr. R.D. Aneja and Mr. Rajesh Aneja. He relies upon a legal notice dated 22nd June, 1982, and a reply dated 8th July, 1982. He gives reference to the earlier suit being *CS* (*OS*) 2408/1985 filed by P.M. Diesels, wherein the interim injunction was vacated. Reference was also made to the cancellation petition. He relied upon the fact that a fabricated invoice dated 22nd October, 1995 was produced by P.M. Diesels. He also relied upon the cancellation petition which was dismissed, thereafter leading to the Supreme Court order dated 15th February, 2006. According to the witness, the act of using 'FIELDMARSHAL' by P.M. Diesels constitutes infringement and passing off.

- In his cross-examination, the witness deposed that his firm specialised in dealing with centrifugal pumps, bend and reflex valves, but specifically noted that they did not deal with diesel engines. He emphasized that the majority of their sales, approximately 99.9%, pertained to centrifugal pumps, and refuted any suggestion that the reported sales figures were fictitious. The witness explained that bend and reflex valves are components used in conjunction with centrifugal pumps. He acknowledged not having brought any supporting sales vouchers to the proceedings, mentioning that the available sales
- The witness reaffirmed the acquisition of the trade mark 'FIELDMARSHAL' from M/s. Jain Industries in 1986 but admitted to lacking documentary evidence that M/s. Jain Industries was manufacturing centrifugal pumps. The same was based on personal





visits and observations, where he purportedly saw records of M/s. Jain Industries' production of centrifugal pumps, including their sale bills, cash books, and ledger. However, he could not recall if any documentary evidence had been filed to substantiate the use of the 'FIELDMARSHAL' mark for centrifugal pumps by M/s. Jain Industries, and he denied the accusation that no such records were filed because M/s. Jain Industries had never used the 'FIELDMARSHAL' mark for centrifugal pumps. Moreover, he disputed the suggestion that Ex. PW-1/12, presumably a document related to the use or registration of the 'FIELDMARSHAL' mark, was fictitious.

# 60.3 DW-2 - Mr. Fageer Chand, Dealer of Thukral Mechanical Works

- He was running a firm by the name M/s. Mittal Industries in District Patiala, Punjab. He stated that he knew Thukral Mechanical Works since 1983 and that they dealt in centrifugal pumps. He further stated that he purchased centrifugal pumps from Thukral Mechanical Works since 1983 under the mark 'FIELDMARSHAL'. He produced certain bills as Ex. DW-2/1 to Ex. DW-2/38. The originals of these bills were seen and returned (OSR). He stated to be the dealer of Thukral Mechanical Works for centrifugal pumps under the mark 'FIELDMARSHAL', which are the only centrifugal pumps sold under the mark 'FIELDMARSHAL' in Punjab.
- In cross-examination, he stated that centrifugal pumps under the mark 'BMS' were also available but were sold by a different dealer. He was not aware of who was the manufacturer of centrifugal pumps under the mark 'BMS'. He admitted that in some of the bills, the mark 'FIELDMARSHAL' was not mentioned. He also stated that in the bills





issued by him, the mark 'FIELDMARSHAL' is not mentioned; only centrifugal pumps are mentioned. He admitted that there was no document which he had filed to show that centrifugal pumps were sold under the mark 'FIELDMARSHAL' to any of the parties between 1983 and 2001. He stated to have seen an advertisement of P.M. Diesels showing the mark 'FIELDMARSHAL' for centrifugal pumps but he could not produce any advertisement, though it could have been for the year 1989.

# 60.4 Further evidence of Mr. Faqeer Chand.

- He stated that he operated the Mittal Pipe & Sanitary Store since 1980 and that he had been purchasing centrifugal pumps since 1983 from M/s. Thukral Mechanical Works. He stated that older records were destroyed and only records from 10- 12 years back prior to 2010 are available.
- He stated to have brought some invoices showing purchase of pumps from M/s. Thukral Mechanical Works. He stated that he had given an affidavit at the request of one Mr. Ganga Ram, another dealer of M/s. Thukral Mechanical Works. For the last ten years i.e. [10 years prior to 10<sup>th</sup> December, 2010 exhibited as PW-3/DA 1 56]. He admitted that he did not have any invoices prior to 1988.

# 60.5 DW-3 – Mr. Padam Chand, Dealer of Thukral Mechanical Works

• This witness stated that he knew M/s. Thukral Mechanical Works since 1983, as he was selling centrifugal pumps under the mark 'FIELDMARSHAL' manufactured by them. He produced certain original bills, being Ex. DW-3/1 to Ex. DW-3/14. He stated that he had





purchased such products even before 1983 and had been selling them since 1970 from M/s. Jain Industries. He stated that M/s. Jain Industries used to issue bills, but the records are not available, as they are old records.

- In cross-examination, he stated that he had not filed any document prior to 1986 that included the word 'FIELDMARSHAL'. He deposed that his father was dealing with M/s. Jain Industries, whose factory was in Agra. He denied the suggestion that M/s. Jain Industries was not manufacturing centrifugal pumps but was running a *daal* mill. He also deposed that he was purchasing goods from 1970 till 1981 from M/s. Jain Industries, though no document was filed to show that any payment was made. He stated that he did not maintain old records.
- 60.6 Further Evidence of Mr. Padam Chand.
  - Apart from the evidence given in the 1985 suit, in the crossexamination for the 1992 suit, he stated that he had never visited the factory of M/s. Jain Industries. He had no idea whether M/s. Jain Industries was still operational. He stated to have sold pumps manufactured by M/s. Jain Industries, though he could not produce any account books to substantiate such purchases. He mentioned that one of the partners of M/s. Jain Industries was Mr. Kailash Chand Jain.
  - He confirmed that he had no records to show the purchase of pumps or retail sales. He also stated that he was a dealer for M/s. Thukral Mechanical Works, from whom he purchased and then sold products. He denied the suggestion that M/s. Jain Industries only operated flour mills.





- He was unfamiliar with any company named P.M. Diesels. He was not aware of the sales figures for M/s. Thukral Mechanical Works, whether they were above Rs.10 lakhs or Rs.1 crore.
- He stated that he had not seen any records of M/s. Thukral Mechanical Works, but had been informed by Thukral about the litigation and was deposing at their request. Although he stated in his examination-in-chief that substantial amount of money was spent on advertising, he could not specify the exact expenses. He stated to have seen advertisements for the 'FIELDMARSHAL' mark associated with M/s. Thukral Mechanical Works in newspapers and on hoardings.

# Summary of the testimony of Thukral's witnesses

61. On a perusal of the oral evidence of witness produced by Thukral, the following points emerge:

- The testimonies of Thukral's witnesses aim to establish a separate and independent claim to the 'FIELDMARSHAL' mark, supported by documentation, and acquisition of rights from M/s. Jain Industries.
- Mr. Faqeer Chand claims to have been purchasing centrifugal pumps from Thukral since 1983. This is in direct contrast to established testimonies of witnesses produced on behalf of P.M. Diesels, which claim that P.M. Diesels have been manufacturing and/or selling centrifugal pumps under the said mark at least since the 1970s. The said witness further admits to the absence of invoices or records before 1988, which creates a gap in directly substantiating the early use of the said mark. This lack of documentation weakens the claim of uninterrupted use since the alleged user date.





- Mr. Sushil Thukral details the acquisition of the mark 'FIELDMARSHAL' mark from M/s. Jain Industries in 1986. Mr. Padam Chand and Mr. Faqeer Chand do not directly address this acquisition, however, their testimonies do not contradict this narrative.
- It is noted that Mr. Faqeer Chand and Mr. Padam Chand admit that there are no comprehensive documents supporting the sale and purchase of centrifugal pumps under the 'FIELDMARSHAL' mark before the mid-1980s. This contrasts with Mr. Sushil Thukral's claims of use since 1973.
- The evidence also reveals that Thukral was using various other marks for pumps and other products, which is consistently confirmed by most witnesses.
- Mr. Sushil Thukral's detailed account of engagements and opposition to P.M. Diesels' trade mark applications contrasts with Mr. Padam Chand's and Mr. Faqeer Chand's limited acknowledgment of the trade mark dispute between the parties. This suggests that Thukral's dealers did not have sufficient knowledge of the rights in the said mark, and thus the plea that Thukral had created sufficient goodwill for the said mark based on user. Also, while Mr. Sushil Thukral strongly asserts Thukral's exclusive rights to the said mark for centrifugal pumps, based on use and legal acquisition, the lack of records, as mentioned by Mr. Faqeer Chand and Mr. Padam Chand, complicates the claim of uninterrupted and exclusive use since the user date, as mentioned in the pleadings.





# Documentary evidence relied upon by the parties

62. The Court has perused the large volume of exhibits/documentary evidence filed by the parties. The record is voluminous and a substantial portion of the record consists of original documents filed by both the parties. On the basis of the documentary evidence seen in the context of the oral evidence, the following facts are established on record:

- (i) P.M. Diesels adopted the mark 'FIELDMARSHAL' in 1963 and had a number of dealers and distributors across the country for sale of its products under the mark 'FIELDMARSHAL'. The documents which establish this are:
  - (a) Agreement for dealership of 'FIELDMARSHAL' centrifugal pumps between M/s. J. Chandrakant & Co. and M/s. Indira Engineering, Ahmedabad Pvt. Ltd. dated 23<sup>rd</sup> April, 1975<sup>70</sup> (Ex.PW-1/1).
  - (b) List of dealers and distributors of P.M. Diesels and its predecessor, spread across Andhra Pradesh, Bihar, Delhi, Gujarat, Haryana, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, UP, Uttarakhand, West Bengal running into 63 pages both directly and indirectly through other distributors<sup>71</sup>.
  - (c) Sales invoices in the form of carbon copies from 1975 showing sales from J. Chandrakant & Co. to dealers of centrifugal

<sup>&</sup>lt;sup>70</sup> P.M. Diesels' Compilation, 'Agreement for Dealership of 'FIELD MARSHAL' CENTRIFUGAL PUMPS' p. 136.

<sup>&</sup>lt;sup>71</sup> CS (OS) 2408/1985, Plaintiffs' documents, Vol. 2, 'Photocopies of list of dealers and distributors of the plaintiff firm', dated 26<sup>th</sup> October, 1987, p. 425.





pumps<sup>72</sup> (**Ex.PW-1/2 to Ex.PW-1/6**).

- (d) Sales invoices in the name of M/s. Patel Manufacturers for diesel oil engines dating back to 1963<sup>73</sup> (Ex.PW-2/2). Sales invoices of M/s. Batliboi, showing export of products under the mark 'FIELDMARSHAL' at least since 1969 for diesel engines<sup>74</sup> (Ex. DW-1/16).
- (e) Newspaper advertisements issued by M/s. Batliboi for the mark
   'FIELDMARSHAL' since 1963<sup>75</sup> (Ex. DW-1/18). They are extracted below:



<sup>&</sup>lt;sup>72</sup> P.M. Diesels' Compilation, 'Original carbon copy of bills of 1975 showing sales from J. Chandrakant & co. to dealers of centrifugal pumps' p. 142-145.

<sup>&</sup>lt;sup>73</sup> P.M. Diesels' Compilation, 'Photocopy of bills of sale of products, Annual Sales and Advertisement of Plaintiff from 1963-1984' p. 149-213.

<sup>&</sup>lt;sup>74</sup> Thukral's Compilation, 'Product orders placed by M/s. Batliboi & Co. Pvt. Ltd. of Bombay on the defendant no. 3 for the period 1969 to 1983' p. 705-719.

<sup>&</sup>lt;sup>75</sup> Thukral's Compilation, 'Advertisements published in various newspapers for Fieldmarshal by Defendants' p. 720-839.





- (ii) Advertisements issued by P.M. Diesels and its predecessors, from 1963 for various years in a large number of languages<sup>76</sup> (Ex. DW-1/18), (Ex. PW -2/4).
- (iii) Letters issued by firms such as M/s. Yogesh Machinery Stores dated 15<sup>th</sup> January, 1981, 2<sup>nd</sup> March, 1981 and 3<sup>rd</sup> June, 1981 clearly reflecting that they are distributors of 'FIELDMARSHAL' diesel oil engines since 1981<sup>77</sup> (Ex. PW -3/3 to Ex. PW -3/5).
- (iv) Letters of M/s. Gupta Engineering works consisting of the name
   'FIELDMARSHAL' in the letter head<sup>78</sup> (Ex. PW -4/2 to Ex. PW -4/3).
- (v) Invoices from 1963 issued by P.M. Diesels (Ex. PW -2/2).
- (vi) Substantial number of original newspapers showing continuous advertising in Hindi, English, Gujarati, Tamil, Telugu, Bangla, Punjabi, etc.
- (vii) Thukral's documents i.e., such as original invoices, show use of other marks such as BMS and not 'FIELDMARSHAL' (Ex. PW-1/9)<sup>79</sup>, (Ex. PW-5/1)<sup>80</sup>.

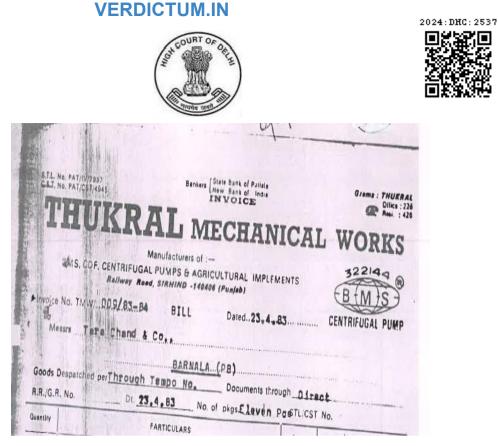
<sup>&</sup>lt;sup>76</sup> Thukral's Compilation, 'Advertisements published in various newspapers for Fieldmarshal by Defendants' p. 720-839; P.M. Diesels' Compilation, 'Original Newspaper showing advertisements.' p. 216-230.

<sup>&</sup>lt;sup>77</sup> P.M. Diesels' Compilation, 'Letters dated 15.1.1981, 2.3.1981 and 3.6.1981 sent to Defendant by Plaintiffs dealers' p. 395-397.

<sup>&</sup>lt;sup>78</sup> P.M. Diesels' Compilation, 'Letter sent by PW-4 to Defendant dated 22 October 1995' p. 399; P.M. Diesels' Compilation, 'Letters sent by PW-4 to Defendant dated \_\_\_\_\_' p. 400.

<sup>&</sup>lt;sup>79</sup> Thukral's Compilation, 'Certified copy of the sales invoices of the period 1983-1993' p. 389-467.

<sup>&</sup>lt;sup>80</sup> P.M. Diesels' Compilation, 'Original bill dated 10.4.1979 issued by Defendant to PW-5' p. 418.



(viii) One of the invoices filed by P.M. Diesels, as deposed by PW-4, Mr. Shiv Avtar Gupta, dated 8<sup>th</sup> March 1974, does not contain any mark such as 'FIELDMARSHAL'<sup>81</sup> (**Ex. PW-4/1, Ex P-10**). The same has been reproduced below:

<sup>&</sup>lt;sup>81</sup> P.M. Diesels' Compilation, 'Bill dated 8.3.1974 issued by Defendant' p. 398.



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-	MEC	C <sup>+</sup>	LV	VORKS
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- (ix) Few invoices of Thukral which bear the name 'FIELDMARSHAL' are clearly forged and fabricated<sup>82</sup> (X-1, X-2, X-3 and DW-1/P1, X-4).
- (x) The evidence sought to be presented through Mr. Aneja, intended to demonstrate his awareness of Thukral's use of the mark 'FIELDMARSHAL' for centrifugal pumps, is also not convincing. Mr. Aneja categorically states that Thukral was using other trademarks, such as BMS, Varun type, DPF.
- (xi) No user document of M/s. Jain Industries has been placed on record by Thukral Mechanical Works. Thukral has failed to even produce M/s.

<sup>&</sup>lt;sup>82</sup> P.M. Diesels' Compilation, 'Photocopy of Exhibit PW5/2 not issued by Defendant. (Ex PW 5/2)', 'Certified of Exhibit PW6/1 not issued by Defendant (ExPW6/1A)', 'Photocopy of Invoice not issued by Defendant.' & 'Photocopy of Invoice not issued by Defendant.' p.529-532.





Jain Industries for establishing user by Jain Industries.

- (xii) The oral evidence provided by Thukral witnesses lacks credibility, especially considering that DW-1, Mr. Thukral himself, states that he does not possess documents demonstrating the use of the trademark 'FIELDMARSHAL' during the period 1973-1982.
- (xiii) The assignment of trade mark bearing number 228867 from M/s. Jain Industries in favor of Thukral Mechanical Works occurred after the filing of the first 1985 suit by P.M. Diesels, specifically on 30th May, 1986 (Ex.PW- 1/4)<sup>83</sup>.
- (xiv) The earliest credible document of use by Thukral dates back to the year 1988-89. Prior to this period, Thukral has not placed a single credible document on record to show the commercial use of the mark 'FIELDMARSHAL' (Ex. PW-1/6), (Ex.PW-1/7), (Ex. PW-1/9)<sup>84</sup>.
- (xv) P.M. Diesel's witness has placed on record the documents of M/s. Jain Industries to show that the mark 'FIELDMARSHAL' was being used only for flour mills (Ex. DW-1/20), (Ex. DW-1/21), (Ex. DW-1/22), (Ex. DW-1/23)<sup>85</sup>. The catalogue of M/s. Jain Industries did not show the use of the mark for centrifugal pumps. M/s. Jain Industries

<sup>&</sup>lt;sup>83</sup> Thukral's Compilation, 'Assignment deed dated 30 May 1986 of Registered Trademark no. 228867 from Jain Industries' p. 215-228.

<sup>&</sup>lt;sup>84</sup> Thukral's Compilation, 'Plaintiffs' advertisements published in newspapers and magazines during the period May 1988 to September 1994.' p. 232-325; Thukral's Compilation, 'Invoices showing advertisements by Plaintiff' p. 326-387; Thukral's Compilation, 'Certified copy of the sales invoices of the period 1983 to 1993' p. 389-467.

<sup>&</sup>lt;sup>85</sup> Thukral's Compilation, 'Original stickers of the product of M/s. Jain Industries' p. 885; Thukral's Compilation, 'Original catalogue of the shop of M/s. Jain Industries' p. 867 – 884; Thukral's Compilation, 'Original photograph of the shop of M/s. Jain Industries' p. 886; Thukral's Compilation, 'Original visiting cards, photograph, catalogue, label and price list of Mis. Jain Industries.' p. 887 – 891.





catalogue shows the use of the mark 'JI' on the *daal/dall* machine and on the flour mill. Almost all the products have the mark 'JI' written on them. Some examples are below:



(xvi) The products manufactured and catalogued by M/s. Jain Industries are *daal* mill plants, *daal* machines, carbo emery roller, rubber roller polisher, round *chalna*, *pankha*, elevator, centrifugal filter, nylon polisher machine, sheller, eccentric *chalna* with fan, mixer and conveyor, *chakki*/flour mill, *patka* machine, automatic *daal* mill plant.





Out of all these products only the flour mill *chakki* has the name 'FIELDMARSHAL' written in Hindi and no centrifugal pump has been depicted. An advertisement issued by M/s. Jain Industries also publishes merely automatic *daal* and flour mill plant.

- (xviii)The sales of P.M. Diesels, when viewed alongside the advertisements and invoices, show that there is substantial use of 'FIELDMARSHAL' with respect to diesel oil engines since 1963 and since 1974 on centrifugal pumps. On the other hand, the sales figures of Thukral show that they were using different trade marks, such as BMS.
- (xix) The documents on record show that Thukral was manufacturing and selling centrifugal pumps for a long period, but not under the brand name 'FIELDMARSHAL'. Thukral's earliest invoices for centrifugal pumps do not bear the mark 'FIELDMARSHAL' but merely BMS and other marks.
- (xx) Considerable reliance is placed upon correspondence with PW-3-Mr.K.C. Aneja, PW-5-Mr. R.D. Aneja and his family, to attribute knowledge to P.M. Diesels.
- (xxi) Brochure of P.M. Diesels published by Alpha consisting of the 'FIELDMARSHAL' centrifugal pumps (Ex. DW-1/14)<sup>86</sup>.
- (xxii) Caution notices issued on behalf of P.M. Diesels for protection of the mark dating back to January, 1974, which shows use of the mark 'FM FIELDMARSHAL' and 'FIELDMARSHAL' (Ex. DW-1/19)<sup>87</sup>.

<sup>&</sup>lt;sup>86</sup> Thukral's Compilation, 'Pamphlets containing the technical features of the Centrifugal pumps under the trademark Fieldmarshal manufactured by the said M/s. Alfa Engineers of Rajkot.' p. 697.
<sup>87</sup> Thukral's Compilation, 'Warning notices issued by Defendant no. 3 in various newspapers' p. 840 – 866.





# D. <u>Findings on Issues & Relief</u>

63. In the 1985 suit, P.M. Diesels' case is that use of the mark 'FIELDMARSHAL' by Thukral Mechanical Works is liable to be injuncted in respect of any products, on the ground that the same would constitute infringement and passing of.

64. In the 1992 suit filed by Thukral Mechanical Works against P.M. Diesels, Thukral's case is that the use of the mark 'FIELDMARSHAL' by P.M. Diesels in respect of centrifugal pumps, monoblock pumps, submersible pumps, diesel engine machine, flour mills etc. constitute infringement and passing off. This is based on the strength of registration bearing No. 228867 in class 7 obtained from M/s. Jain Industries by Thukral Mechanical Works.

# PRIOR USER

65. The first aspect that deserve to be considered in the present case is, who is the prior user of the mark 'FIELDMARSHAL' and in respect of what goods?

66. The oral and documentary evidence on record demonstrates that P.M. Diesels had several manufacturers from whom it sourced products under the mark 'FIELDMARSHAL'. It also had numerous dealers across the country selling diesel engines under the mark 'FIELDMARSHAL'. The documents on record, which include original invoices, illustrate the extensive use of the mark over the years, since 1963 onwards. The use of the mark 'FIELDMARSHAL' for diesel engines and centrifugal pumps is also documented in the 1970s, for example, in invoices from M/s. J. Chandrakant & Co. The brochures and advertisements in various newspapers dating back to the 1960s and 1970s show use of the mark 'FIELDMARSHAL' by P.M.





Diesels.

67. P.M. Diesels also has the following registrations of trade marks in its favour:

TRADE MARK REGD.I	CLASS	JOURNAL NO	
FIELD MARSHAL 224879 (Word per se)	) 7	385	
FIELD MARSHAL 252070 (written in style)	) 7	520	
F.M. FIELD MARSHAL 25 (Logo)	52071 7	525	.'

68. The following are the details of the copyright registrations of P.M. Diesels:

Registration No.	A-42681/83	
Work		
Title of the Work	FIELDMARSHAL	
Name of the Author	Mr. P.N. Patel, Director of P.M. Diesels	
Publication details	First published in India in 1963 by P.M. Diesels	

69. As per the trade mark registrations, the mark 'FM' has been earlier used for class 7 goods since 1963. The evidence also shows that there is consistency





in the statements of the witnesses that the mark 'FIELDMARSHAL' was coined by M/s. Patel Manufacturers in 1963 and was taken over by P.M. Diesels as a running company. The partner of M/s. Patel Manufacturers, i.e., PW-2, Mr. Chandra Kant Popat Lal Patel, who is also the Director of P.M. Diesels appeared as a witness and stated that P.M. Diesels has a turnover of 60 crores at the time he deposed.

70. He also stated that it had 1400 dealers and made exports to the Middle-East and African countries. The application filed by P.M. Diesels claiming use since 1963 related to diesel oil engines (not for land vehicles and parts thereof), mono-block pump sets, electric motors not for land vehicles, and pumps included in class 7. The original trademark registry files are part of the record.

71. The record also reveals a substantial amount of sales of products by P.M. Diesels under the mark 'FIELDMARSHAL', amounting to crores of rupees since early 1960s itself. P.M. Diesels' products were exported by an exporter by the name of M/s. Batliboi and Company. The said company was exporting diesel oil engines, pumps, and other related products to several countries, including Iran, Thailand, Sudan, Iraq, Syria, and West Germany, among others. Invoices have been issued by M/s. Patel Manufacturers in favor of M/s. Batliboi and Company in Bombay and in Madras. Vouchers have been raised by M/s. Batliboi and Company Machinery Division, Bombay, to M/s. Patel Manufacturers. The sales in units have risen from time to time, beginning from the 1960s. Several banks and other institutions have approved the products of P.M. Diesels. The advertisements on record are in various languages, including Urdu, Tamil, Telugu, Bengali, and Punjabi, among others, along with the caution notices issued by lawyers.





72. The trade mark and copyright registrations in favor of P.M. Diesels are not disputed. There are also old brochures dating back to the 1970s that show the use of the mark 'FIELDMARSHAL' for centrifugal pumps (**Ex. DW-**1/14). These products have been manufactured by P.M. Diesels' manufacturing units, such as M/s. Alfa Engineers. The 'FIELDMARSHAL' pumps have been procured by P.M. Diesels from other manufacturers, such as M/s. Indira Engineering and M/s. Alfa Engineers, which has also been deposed as part of the oral evidence.

73. Against this evidence, Thukral Machinery Works merely relies on the registration of M/s. Jain Industries to argue that the trade mark registration of M/s. Jain Industries dates back to 1965, claiming use since 1963. However, there is not a single document on record from M/s. Jain Industries showing use since 1963. The earliest invoices of Thukral Mechanical Works on record are from 1978, where clearly, shows that the mark 'FIELDMARSHAL' has been superimposed on the invoice, as the printed invoice merely shows the mark 'BMS'. The original invoices do not bear the 'FIELDMARSHAL' mark, for example.

74. Even if one considers the earliest invoices on record, which date from 1978 onwards, the earliest advertisement or printed invoice of Thukral Machinery Works bearing the 'FIELDMARSHAL' mark is from the year 1988<sup>88</sup>. <u>This clearly establishes that P.M. Diesels is the prior user of the mark</u> 'FIELDMARSHAL' in relation to both diesel oil engines and centrifugal pumps. Thukral Machinery Works made no attempt to establish prior use by

<sup>&</sup>lt;sup>88</sup> Thukral's Compilation, 'Ex.PW-1/6: Plaintiffs' advertisements published in newspapers and magazines during the period May 1988 to September 1994' p. 232-325; Ex. PW-1/9: Certified copy of the sales invoices of the period 1983 to 1993 p. 389-467.





M/s. Jain Industries through any documentary or oral evidence. P.M. Diesels clearly attempted to obtain some documents from M/s. Jain Industries which would show that the predominant mark of M/s. Jain Industries was 'JI' and not 'FIELDMARSHAL', except for one page in the M/s. Jain Industries catalogue showing a flour mill bearing the mark 'FIELDMARSHAL'. This is the only credible document revealed in the records concerning M/s. Jain Industries. Thukral Machinery Works has attempted to argue that the proprietor of M/s. Jain Industries was summoned by P.M. Diesels, but was not cross-examined.

75. This Court notes that the prior use of M/s. Jain Industries is a fact asserted by Thukral Machinery Works, not by P.M. Diesels. In the absence of documentation, it was incumbent upon Thukral to produce evidence from M/s. Jain Industries to establish prior use. However, it has utterly failed to do so. The assignment from M/s. Jain Industries in favor of Thukral Machinery Works also occurred after the filing of the 1985 suit. After reviewing the records, the Court clearly concludes that Thukral Machinery Works began using the mark 'FIELDMARSHAL' for centrifugal pumps sometime in the early '80s and has attempted, in some manner, to legitimize its own use by tracing out M/s. Jain Industries, which may have had a registration or some sporadic use in respect of flour mills. There is absolutely no evidence on record to show that M/s. Jain Industries was using the mark 'FIELDMARSHAL' in respect of centrifugal pumps.

76. Even the oral evidence presented on behalf of Thukral Machinery Works lacks any credibility whatsoever. This is because the witnesses who appeared for Thukral Machinery Works made completely contradictory statements, as is evident from the summary of Thukral Machinery Works'





evidence, as previously detailed. For instance, PW-1-Mr. Sushil Thukral, claimed to have seen invoices from 1965 for centrifugal pumps, but provided no basis for this claim. Both dealers, Mr. Faqueer Chand (DW-2) and Mr. Padam Chand (DW-3), stated that they have been purchasing centrifugal pumps under the 'FIELDMARSHAL' brand only since 1983. They were unable to produce any record of purchases or sales from the 1970s to 1981. All invoices and advertisements of some standing are from the year 1985 onwards, which coincides with the time that P.M. Diesels became aware of Thukral Mechanical Works' use of the 'FIELDMARSHAL' mark and subsequently filed the present suit in 1985 after issuing a legal notice in June 1982. In fact, around the time notice was issued by P.M. Diesels, Thukral Mechanical Works filed a suit for groundless threat before the Sub-Judge, First Class Fatehgarh Sahib. Therefore, Thukral Mechanical Works' attempt to establish use since 1963 for centrifugal pumps is utterly misconceived and untenable based on the record.

77. <u>This Court thus concludes that P.M. Diesels is the prior user of the mark</u> <u>'FIELDMARSHAL' in respect of diesel oil engines as also centrifugal</u> pumps, monoblock pumps and submersible pumps and other related products.

# COGNATE & ALLIED GOODS

78. The second aspect argued by Thukral Mechanical Works is that even if P.M. Diesels is recognized as the prior user of the 'FIELDMARSHAL' mark for diesel oil engines, these products and centrifugal pumps are not related. Furthermore, Thukral's argument is that this stand was taken by P.M. Diesels only in the replication and should not be entertained. This submission completely misses the point.





79. The mark 'FIELDMARSHAL', was an arbitrary mark chosen by P.M. Diesels, and it was not only registered but also extensively used by P.M. Diesels. Sales figures dating back to 1963 have been placed on record. According to M/s. Thukral Mechanical Works, these figures have not been verified by any Chartered Accountant. Nevertheless, the original invoices, advertisements, and newspapers published across the country that have been placed on record clearly demonstrate that the mark 'FIELDMARSHAL' was distinctive and adopted by P.M. Diesels. The said mark has been extensively used for diesel oil engines and has, thereafter, been expanded into pumps including monoblock pumps, centrifugal pumps, motor parts etc., by P.M. Diesels. From the record it also become evident that P.M. Diesels itself was not manufacturing centrifugal pumps but was having them manufactured from third parties and sourcing them for sale across the country. This has been established by the oral evidence of the witnesses and also by documents. Both these products are used in the agricultural sector. Centrifugal pumps, in the absence of electricity need engines for them to be run on. The mark 'FIELDMARSHAL' had no connection with the character or quality of these products. Neither is it a descriptive or generic mark. It is an arbitrary term adopted as a trade mark which enjoys a high level of protection (as held by the ld. Division Bench of this Court in Shree Nath Heritage Liquor Pvt. Ltd. v. Allied Blender & Distilleries Pvt. Ltd.<sup>89</sup>). If one company used the mark 'FIELDMARSHAL' for sale of diesel oil engines, the use of the same mark for other products in the agricultural sector would, obviously, create association with the prior user of the mark.

<sup>&</sup>lt;sup>89</sup> (2015) 63 PTC 551





80. The fact that Thukral Mechanical Works has itself filed a suit seeking a permanent injunction on the grounds of infringement and passing off indicates that Thukral Mechanical Works also acknowledges that the use of the mark 'FIELDMARSHAL' by two parties could lead to confusion and deception.

81. Cognate and allied nature of the products is also evident from the oral evidence led by the parties. On behalf of P.M. Diesels, repeatedly, witnesses have stated that diesel oil engines and centrifugal pumps are available for sale in the same shops and counters. Thus, there can be no doubt that irrespective of the question as to who is the prior user for centrifugal pumps, even if the use of the said mark by P.M. Diesels is taken as being only for diesel oil engines, an identical mark cannot be permitted to be used for a product which is sold and marketed for the same class of customers. It is bound to create confusion.

82. On the aspect of passing off, the plaint clearly avers as under:

"That the purchasers and intending purchasers of the said goods such as diesel oil engines, centrifugal or agricultural pumps, electric motors etc <u>are mechanics</u>, <u>villagers, illiterate persons and servants etc which is an</u> <u>unwary class of purchasers which demand and</u> <u>recognise the plaintiff's products by the Trade Mark</u> : FIELD MARSHAL. <u>The confusion and deception is</u> <u>inevitable due to the close identity and deceptive</u> <u>similarity of the trade mark of the plaintiff and of the</u> <u>defendants.</u> The defendants are guilty of passing of their inferior and substandard goods as and for the superior quality products of the plaintiff's"

83. The concept of Passing Off is well understood in law as being a misrepresentation in the course of trade by any party to encash upon the





goodwill and reputation of a mark so as to create confusion and deception. The non-mention of the terms *'cognate and allied'* in the plaint would not result in depriving the Plaintiff of relief, if a case is made out. The suit being also one for passing off, the concept of cognate and allied goods is in-built in the same. Thus, the mention of 'passing off' in the plaint is sufficient for P.M. Diesels to argue that confusion is likely.

84. The argument that the cognate and allied nature of the goods was only pleaded in the replication does not benefit Thukral Mechanical Works. With the mark being identical, the class of products being identical, and the class of customers being identical, confusion is inevitable. It is also worth noting that Thukral has provided no explanation for adopting the mark 'FIELDMARSHAL,' other than relying on the assignment from M/s. Jain Industries, which occurred after P.M. Diesels filed the suit. In fact, this reliance on the assignment alone demonstrates that, without it, Thukral had no substantial ground to stand on. It is in this background, the issues in both the suits are determined.

# 1. Decision in P.M. Diesels Pvt. Ltd. v. Thukral Mechanicals Works [CS (OS) 2408/1985]

85. The issues in this suit are as follows:

- "1. Whether the suit is barred on account of acquiescence, latches and delay? OPD
- 2. Whether this Hon'ble Court has got territorial jurisdiction to the present suit? OPP
- 3. Whether the goods of the defendant under the trade mark 'FIELD MARSHAL' are being





passed off, as the goods of the plaintiff?

- 4. Whether the defendant has infringed the registered copyright of the plaintiff? If so its affect? OPP
- 5. Whether the plaintiffs are entitled to rendition of accounts as claimed in the plaint? OPP
- 6. Whether there, is misrepresentation of facts on the part of the plaintiff? If so, to what effect? OPD
- 7. Whether the plaintiff is the proprietor of the trade mark 'FIELD MARSHAL' in question and has the right of exclusive use thereof in respect of centrifugal pumps or any other goods in the same class of goods and of the same description?
- 8. Relief."

# <u>Analysis of issues</u>

Issue No.1 - Whether the suit is barred on account of acquiescence, latches and delay?

<u>Issue No.6 – Whether there is misrepresentation of facts on the part of the</u> <u>Plaintiff?</u>

86. P.M. Diesels contends that the cause of action first arose when it became aware of Thukral's trade mark application no. 326016 dated 9<sup>th</sup> June 1977, and application no. 363764 dated 14<sup>th</sup> July 1980, both in class 7, in June 1982. It then issued a legal notice on 22<sup>nd</sup> June 1982, demanding that Thukral must cease using the 'FIELDMARSHAL' mark and opposed the trademark





application in 1983. According to P.M. Diesels, it did not encounter Thukral's products in the market until 1985, which led to the filing of the suit that year. This position by P.M. Diesels is corroborated by various witnesses, as previously discussed. For instance, PW-2- Mr. Chandra Kant Popat Lal Patel, testified that he had instructed dealers to find the individuals who had begun selling counterfeit centrifugal pumps under the 'FIELDMARSHAL' mark, but was initially unsuccessful. However, in 1984-85, it was discovered that Thukral was selling these products. It was only after initiating the present suit that P.M. Diesels became aware of the trade mark registration for flour mills, circulation and centrifugal pumps, couplings for machines, pulleys included in class 7 and valves being parts of machines, under the 'FIELDMARSHAL' mark, in the name of M/s. Jain Industries, leading to the filing of a cancellation petition, originally bearing no. C.O. 6/1987 titled as P.M Diesels v. Thukral Mechanical Works and later renumbered as 'C.O. (COMM.IPD-TM) 677 of 2022', after the enactment of the Tribunal Reforms Act, 2021 and the contemporaneous abolition of the IPAB. Upon learning that the said registration bearing '228867' had been assigned to Thukral, P.M. Diesels filed the fresh cancellation petition, after withdrawing the initial one being C.O. *9/1986*.

87. The other two witnesses namely PW-3- Mr. Karam Chand Aneja and PW-4-Mr. Shiv Avtar Gupta were dealers of P.M. Diesels. PW-3 gave specific names of parties whom they had asked for procuring Thukral's products. The said documents were also exhibited by the witness. PW-3 also stated that Thukral was selling pumps under the mark BMS, DPF, etc. He also produced bills to show that these marks were used by Thukral. PW-4 was a dealer of P.M. Diesels, who confirmed that he had been selling their





products even in 1974. PW-5-Mr. Ram Dhan Aneja was another dealer, who confirmed that diesel oil engines of P.M. Diesels were sold by him since 1969 and pumps were being sold from 1979. He had purchased the pumps from Thukral Mechanical Works under the mark BMS. He produced a 1979 bill of Thukral in original (**Ex.PW-5/1**), which did not bear the mark 'FIELDMARSHAL'.

88. PW-6, another dealer of P.M. Diesels, presented the original bill from Thukral dated 18<sup>th</sup> December, 1979, which did not feature the 'FIELDMARSHAL' mark. He further asserted that the certified copy of the bill provided by Thukral was inaccurate (**Ex.PW-6/1 and PW-6/2**). PW-6 also confirmed receiving pumps from Thukral Mechanical Works under the marks Varuna, DPF, and BMS, but not 'FIELDMARSHAL'.

89. On the other hand, Thukral's case is that one witness of P.M. Diesels, PW-4, lacked credibility as he failed to produce the original invoice, in view of which the Court recorded an adverse remark against him. Thukral further contends that PW-3- Karam Chand Aneja, was purchasing products under the mark 'FIELDMARSHAL' from Thukral, and was the authorized signatory of P.M. Diesels. Invoices are also relied upon by Thukral to demonstrate that 'FIELDMARSHAL' centrifugal pumps had been sold since 1978. The documents Thukral relies upon, which are linked to the year 1978 through Karam Chand Aneja and his family, include the 1978 documents to Marshall Machinery and the 1981 documents to M/s. Yogesh Machinery Works. Thus, the legal argument made by Thukral is that Karam Chand Aneja and his family were aware of Thukral's use of the mark 'FIELDMARSHAL' for centrifugal pumps since 1975, which, according to Thukral, constitutes acquiescence.





90. P.M. Diesels has also highlighted the issue of fabricated invoices submitted by Thukral to the Trade Marks Registry, where the term 'FIELDMARSHAL' was allegedly inserted in writing on documents that originally did not feature the said mark. Considering the aspects of delay, laches, acquiescence, and misrepresentation, it is evident that apart from the instance involving PW-4- Shiv Avtar Gupta, who did not produce one original invoice dated 22<sup>nd</sup> October, 1995 as directed by the Court, the preponderance of evidence supports P.M. Diesels. It has been established that P.M. Diesels has been selling diesel oil engines since 1963, with sales invoices continuously presented from the 1960's. Additionally, it has been selling centrifugal pumps since 1975. At most, acquiescence could be attributed to Mr. Karam Chand Aneja and his family; however, they were merely agents and authorized signatories of P.M. Diesels, which means that knowledge of the use of Thukral's mark cannot be directly imputed to P.M. Diesels. This is made further clear by the cross-examination of Mr. K.C. Aneja (PW-3), wherein he deposed that he was never an employee of P.M. Diesels and had not done any work as a servant of P.M. Diesels.

91. Moreover, other witnesses have stated clearly that Thukral was using the marks such as BMS, Varuna, DPF during 1970's. Even the original invoices of Thukral bear these marks and not the mark 'FIELDMARSHAL' till the 1980s.

92. As per the judgment of the ld. Division Bench in *H.S. Sahni v. Mukul Singhal*<sup>90</sup>, in order for any conduct to constitute acquiescence and latches, so as to disentitle a party for permanent injunction, the same has to be of such a

<sup>&</sup>lt;sup>90</sup> 2022/DHC/004764





level, which would constitute indirect encouragement. Mere delay is not sufficient to deny an injunction, let alone a permanent injunction. The relevant portion of the said decision are extracted below:

> "57. In view of the prima facie findings that H.S. Sahni has been unable to show any usage of the trademark "M.G"/"M.G.I" prior to the year 2017, the question of any acquiescence on the part of the Appellants in such use does not arise. <u>Further, it is settled law that</u> <u>acquiescence cannot be inferred by mere inaction on</u> <u>the part of the proprietor of a registered trademark. It</u> <u>must be established that the proprietor's conduct had,</u> <u>either tacitly or by positive acts, encouraged the use of</u> <u>the allegedly infringing trademark.</u>

58. In the case of M/s. Power Control Appliances & Ors. v. Sumeet Machines Private Limited: (1994) 2 SCC 448, the Supreme Court held as under:-

"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. <u>It</u> <u>implies positive acts; not merely silence or inaction</u> <u>such as is involved in laches</u>..."

59. In Ramdev Food Products (P) Ltd. v. Arvindbhai Rambhai Patel & Ors.: (2006) 8 SCC 726, the Supreme Court observed that: -

"106. The defence of acquiescence, thus, would be satisfied when the plaintiff assents to or lays by in relation to the acts of another person and in view of that assent or laying by and consequent acts it would be unjust in all the circumstances to grant the specific relief".

93. The facts in this case, do not show delay or latches or acquiescence of such a nature, which would disentitle P.M. Diesels for injunction as they have,





since inception, taken several steps to oppose the use and registration of the mark 'FIELDMARSHAL' by Thukral including-

- Issuing legal notice dated 22<sup>nd</sup> June, 1982;
- Filing oppositions against the applications filed by Thukral;
- Filing of suit bearing *CS* (*OS*) 2408/1985;
- Filing rectifications petitions;
- Contesting the present litigation since last more than four decades;
- Asserting any rights under the mark 'FIELDMARSHAL' continuously.

94. Even if there was some sporadic use of the mark by Thukral, which did not come to P.M. Diesels' knowledge, oral evidence clearly establishes that P.M. Diesels was vigilant, including through its dealers, and immediately after acquiring concrete evidence, took steps to file the present suit. Furthermore, there is nothing on record to show that P.M. Diesels itself had knowledge of Thukral's use of the mark 'FIELDMARSHAL' prior to 1985. In fact, DW-1, in his cross-examination, admits that he does not have any documents to prove the use of the mark 'FIELDMARSHAL' during the period from 1973 to 1982. The said extract of his cross examination reads as under:

# "<u>DW-1-Shri Sushil Thukral, S/o Shri Ganga Ram.</u> Age 43 years, R/O Railway Road, Shirhand, on SA.

I am the attorney of the deft. Firm. The deft firm exists since 1973. This firm is engaged in the business of manufacture of agricultural: Centrifugal Pump under the trademark 'Field Marshal' and 'PMS'. The trade mark 'Field Marshal' is being used by the deft firm since 1973, in respect of agricultural Centrifugal Pump. We have been using the trade mark 'Field Marshal' continuously since 1973 except during the period from





1986 to 1988 when there was an injunction restraining us from using this trade mark. That injunction was vacated in 1988. The trade mark 'Field Marshal' in respect of agricultural Centrifugal Pump is registered. *Exhibit* DW1/1 *is the certified copy of the certificate of* registration. I know M/s. Jain Industries as the trade mark 'Field Marshal' was assigned by them in our favour. In 1983, M/s. Jain Industries had objected to our using the trade mark 'Field Marshal' on the ground that the same was being used by them since 1965. Then negotiations took place between them and us which resulted in Jain Industries assigning their trade mark 'Field Marshal' in our favour in 1986. Registrar of trade mark had allowed the assignment of trade mark "Field Marshal' in our favour. We were issuing invoices while selling agricultural Centrifugal. Pumps under the trade mark 'Field Marshal'.

We have been publicising our trade mark 'Field Marshal' by way of hoardings, newspaper, wall paintings. calendar etc. The product being manufactured by us was subject to excise duty till 1978 or 1979. We have been paying, the prescribed excise duties during that period The invoice concerning the sale of pump used to be issued by me or by my brothers Mr. Anil Kumar and Sunil Kumar. I can identify the invoice issued by the deft. I have seen the bill exhibit *PW5/1. It has been issued by us and is signed by me.* This bill ls in my hand. I have seen the photo copy of invoice at page no. 220 purporting to be dtd. 10<sup>th</sup> April, 1979. This document has not been issued by the deft firm. This document is available at page no. 663 in part III of CO.6/87. This document is marked as mark X1 for the purpose of identification. (The learned counsel for the plaintiff wants the document to be exhibited on the ground that it has been referred to in the statement of the witness. The matter shall be decided by the Hon'ble Court at the time of argument). The document marked X1 is not in the hand writing of any of the persons who





used to issue the invoice of the deft. Firm. I have seen exhibit PW6/1. It has been initialled by me and been issued by the deft. Firm. I have also seen the photo copy marked X-2 for identification at page 671 in part III of *Co.6/87. It has not been issued either by me or anyone* else on behalf of deft. Firm. I have also seen the photo copy at page 657 in part III of CO 6/87. The document is marked as mark X3 for the purpose of identification. This document has been filed by the plaintiff. The document is now exhibited as exhibit DW1/p1. I have seen the photo copy at page 659 in part III of co. 6/87. The document is marked as mark X4 for the purpose of identification. It has not been issued by anyone on behalf of the deft firm. Documents Marked X1. X2 and X4 have not been filed by us in any court or before any other authority in any proceedings. The plaintiff has been producing these documents in every case. The Invoice exhibit PW3/D1 has been issued by the defendant firm. I have seen the photo copy of the invoice dtd.  $22^{nd}$ October, 1995 filed by the plaintiff alongwith the list of documents dtd. 12.2.96. It has been filed by the plaintiff and has not been filed by the deft. The photo copy filed by the plaintiff is not true copy of the bill exhibit *PW4/D1*.

Deferred as it is 5.00 p.m.

Xxx xxx xxx

Record from 1973 till 1982 was destroyed completely which was kept at the store. Record from 1982 onwards was partly destroyed and partly remained intact. The bills exhibited as DW1/P2 to DW1/P13 were issued by us. We have advertised the trade mark "Field Marshal" between 1973 to 1988. I do not remember if any document to that effect is placed on the record. It is incorrect that we filed a suit against the plaintiff's company at Sirhind. That suit was not entertained because of lack of jurisdiction. I did not take any document regarding the user by Jain Industries of the trade mark 'Field Marshal' between 1965 to 1986. The





exhibit DW1/2 was signed in my presence. On behalf of Jain Industries it is signed by Sh. Kailash Chand Jain at point B. It is correct that we applied for the registration of trade mark "Field Marshal" in respect of centrifugal pumps but I do not remember its application number. It is correct that the registration application was opposed by the plaintiff's company. I do not remember if the opposition number was DEL 4109...."

95. The earliest documents of use by Thukral, whose authenticity is established, are at best from the year 1983. Thus, this issue is decided in favor of P.M. Diesels, holding that the suit is not barred due to acquiescence, laches, or delay. The mere misstatement by one dealer, Mr. Shiv Avtar Gupta – PW-4, who failed to produce one original invoice dated 22<sup>nd</sup> October, 1995, which may not be relevant to decide the issue as it related to a much later period, would not disentitle P.M. Diesels to relief.

96. The record would also show that Thukral had applied for trade mark registration no. 363764 dated 10<sup>th</sup> December 1983. In support of the said trade mark application, it had filed the evidence of Mr. Anil Kumar Thukral relying upon a number of invoices in the opposition proceedings before the Registrar of Trade Marks. Copies of the said invoices were also filed in these proceedings. When P.M. Diesels pointed out that the original invoices did not bear the mark 'FIELDMARSHAL', Thukral withdrew the said documents vide letters dated 20<sup>th</sup> March, 1983 and 30<sup>th</sup> March, 1987. The fact that the documents were withdrawn has been admitted by DW-1 in his cross examination as under:

"On behalf of Jain Industries it is signed by Sh. Kailash Chand Jain at point B. It is correct that we applied for the registration of trade mark "Field Marshal" in respect of centrifugal pumps but I do not remember its





application number. It is correct that the registration application was opposed by the plaintiff's company. I do not remember if the opposition number was DEL 4109. Certain documents were filed in that application before the competent authority. The documents were filed to show that we are manufacturing the centrifugal pumps with the trade mark 'Field Marshal'. It is correct that the documents filed before the competent authority were taken by us 30.3.87 and the application was withdrawn".

The withdrawal of the same, clearly shows that Thukral was unable to establish use of the mark. Thus, on this aspect, an adverse inference can be drawn against Thukral.

97. In fact, misconduct and misrepresentation are on the part of Thukral Mechanical Works, who has clearly attempted to tamper with several invoices to obtain trade mark registration in their favour, by falsely inserting the mark 'FIELDMARSHAL,' which the original invoices did not include. Both these issues are therefore, decided in favour of P.M. Diesels and against Thukral.

<u>Issue No.2 – Whether this Hon'ble Court has got territorial jurisdiction to the</u> present suit?

98. In oral submissions, this issue has not been seriously contested by either party. The goods of both parties are sold in Delhi, and the suit has been pending in this Court since 1985. Both P.M. Diesels and Thukral have filed suits in Delhi, as there are dealers for both parties in Delhi. Thus, this issue is decided in favour of P.M. Diesels.

Issue No.4 – Whether the defendant has infringed the registered copyright of the plaintiff? If so its affect?





99. P.M. Diesels has a registered copyright for the following work:

Registration No.	A-42681/83
Work	
Title of the Work	FIELDMARSHAL
Name of the Author	Mr. P.N. Patel, Director of P.M. Diesels
Publication details	First published in India in 1963 by P.M. Diesels

100. Thukral's device on the other hand is as under:

# FIELD MARSHAL BRAND

The logo used by Thukral is not similar to the artistic work of P.M. Diesels. Thus, this issue is decided in favour of Thukral, only *qua* the artistic work nature of the logos.

Issue No.3 – Whether the goods of the defendant under the trade mark 'FIELD MARSHAL' are being passed off, as the goods of the plaintiff?

<u>Issue No.7 – Whether the plaintiff is the proprietor of the trade mark 'FIELD</u> <u>MARSHAL' in question and has the right of exclusive use thereof in respect</u> <u>of centrifugal pumps or any other goods in the same class of goods and of the</u>





#### same description?

101. As discussed above, under the heading '*Prior User', and 'Cognate & Allied Goods'*, P.M. Diesels has been able to establish on the record its adoption of the mark 'FIELDMARSHAL' in 1963. It has used the mark in respect of diesel oil engines and other goods. P.M. Diesels has had substantial sales, turnover, and a long list of dealers across the country, including exports. The fact that P.M. Diesels and its predecessors have also been using the mark 'FIELDMARSHAL' has been confirmed by a number of dealers who have appeared as witnesses.

102. The adoption of the mark 'FIELDMARSHAL' by M/s. Jain Industries is only sought to be established through the trade mark registration of M/s. Jain Industries. There is not a single document to prove use of 'FIELDMARSHAL' on centrifugal pumps by M/s. Jain Industries. Thukral Mechanical Works has not produced any documents relating to M/s. Jain Industries. If there were allegations that the documents were lost in floods or any other natural disaster, Thukral Mechanical Works ought to have at least produced oral evidence on behalf of M/s. Jain Industries, which it has failed to do. It has continuously blamed P.M. Diesels for not having cross-examined the proprietor of M/s. Jain Industries, a submission that is itself unfathomable. The goodwill of M/s. Jain Industries is relied upon by Thukral Mechanical Works and not by P.M. Diesels. However, Thukral Mechanical Works seeks to argue that P.M. Diesels ought to show goodwill on the date of adoption by M/s. Jain Industries, and any use thereafter is of no avail to P.M. Diesels. 103. In the opinion of this Court, the law is well settled, that mere registration does not confer any goodwill. It is use which confers goodwill.





This is clear from the judgments of the Supreme Court in *Toyota Jidosha* (*supra*), and *S. Syed Mohideen v. P. Sulochana Bai*<sup>91</sup>. Further, in *Hanover Star Milling Co. v. Metcalf*<sup>92</sup>, the United States Supreme Court observed as follows:

"Common law trademarks, and the right to their exclusive use, are, of course, to be classed among property rights [...], but only in the sense that a man's right to the continued enjoyment of his trade reputation and the goodwill that flows from it, free from unwarranted interference by others, is a property right for the protection of which a trademark is an instrumentality. As was said in the same case (p. 100 U.S. 94), the right grows out of use, not mere adoption. In the English courts, it often has been said that there is no property whatever in a trademark, as such. Per Ld. Langdale, M.R., in Perry v. Truefitt, 6 Beav. 73: per Vice Chancellor Sir Wm. Page Wood (afterwards Ld. Hatherly), in Collins Co. v. Brown, 3 Kay & J. 423, 426, 3 Jur. N.S. 930; per Ld. Herschell in Reddaway v. Bankam, A.C.1896, 199, 209. But since, in the same cases, the courts recognize the right of the party to the exclusive use of marks adopted to indicate goods of his manufacture upon the ground that "a man is not to sell his own goods under the pretense that they are the goods of another man; he cannot be permitted to practise such a deception, nor to use the means which contribute to that end. He cannot therefore be allowed to use names, marks, letters, or other indicia by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person," 6 Beav. 73, it is plain that, in denying the right of property in a trademark, it was intended only to deny such property right except as appurtenant to an established business or trade in connection with which

<sup>&</sup>lt;sup>91</sup> (2016) 2 SCC 683

<sup>&</sup>lt;sup>92</sup> 240 U.S. 403 (1916)





the mark is used."

104. In the absence of even a shred of evidence to show use of the mark 'FIELDMARSHAL' by M/s. Jain Industries since 1965, P.M. Diesels' user has to be given preference and precedence. P.M. Diesels has undoubtedly used the mark 'FIELDMARSHAL' for diesel oil engines and has thereafter adopted the said mark for centrifugal pumps, mono block pumps, motor parts, motors and related goods.

105. The use of the said mark by Thukral undoubtedly constitutes passing off, as the mark is identical, the goods are identical, as also cognate and allied, the customer class is identical, the trade channels are identical. Thus, the test of triple identity stands satisfied. It is incorrect for Thukral Mechanical Works to argue that there is no document on record to show the user of P.M. Diesels for pumps prior to 1985.

106. Furthermore, Thukral attempts to discredit the witness (PW-2, Mr. Chandrakant Popatbhai Patel) from P.M. Diesels on the ground that this witness was only 8-9 years old in 1963. It is important to bear in mind that in family businesses passed down through generations, evidence is provided based on records and personal knowledge. The commercial realities, particularly of businesses that are decades old attempting to establish their case in Court, cannot be overlooked. Naturally, a business started by one generation is often run by the next. Therefore, dismissing evidence simply because the witness was 8-9 years old at the time is not acceptable to the Court. In fact, there could be cases where the witness, may not have been born when the family business was established, but this does not mean they cannot provide evidence supporting the adoption and use of the mark based on business records. Considering that such litigations can take decades to reach





<u>a conclusion, the discrediting of a witness who may have been young when</u> <u>the mark was adopted or business was established, would be a completely</u> <u>unfair proposition, which this Court cannot accept</u>. In this case, the statement provided by the main witness PW-1, supported by other dealers who testified and documents, including advertisements in leading national publications, serves as supporting evidence on behalf of P.M. Diesels. The claim that Thukral does not need to prove M/s. Jain Industries' use of the mark since 1965, due to trade mark registration, contradicts the established principle that registration alone does not confer rights without corroborative use. The mere act of registration, claiming use, cannot be accepted as true and correct without supporting evidence.

107. The claim by Thukral that it is a concurrent user of the mark lacks any merit, as Thukral's marks were Varuna, DPF, BMS. It was only around the time the suit was filed that Thukral has shown it adopted the mark 'FIELDMARSHAL' for centrifugal pumps. In fact, Thukral's adoption of the mark 'FIELDMARSHAL', being in the same field, was dishonest. Its attempt has merely been to legitimize its use or adoption by obtaining an assignment from M/s. Jain Industries, which had not used the mark for centrifugal pumps either. The only use, if any, was for flour mills, as per the catalogue. Therefore, this plea of honest and concurrent use also lacks any merit.

108. The judgments of the Supreme Court in N.R. Dongre v. Whirlpool<sup>93</sup>,
S. Syed Mohideen (supra) and Neon Laboratories v. Medical Technologies
Ltd.<sup>94</sup> establish the legal position now that even a registered proprietor of the mark can be guilty of passing off. The rights and remedies under Section

<sup>&</sup>lt;sup>93</sup> (1996) 5 SCC 714.

<sup>&</sup>lt;sup>94</sup> [2015] 10 S.C.R. 684





27(2) of the 1958 or 1999 Act are not affected by any registration in favour of Thukral. Use of an identical mark by a subsequent registered proprietor would still constitute passing off.

109. In this case, as held above, P.M. Diesels was the first adopter and user of the mark 'FIELDMARSHAL'. The adoption of the said mark subsequently by Thukral Mechanical Works either through M/s. Jain Industries or otherwise, would result in passing off, as the goods are of a similar character. The trade mark registration of M/s. Jain Industries, though subsequently assigned to Thukral, does not constitute a valid defence in a passing off action. Furthermore, claiming innocence does not provide a defense in a passing off action. Thukral cannot assert that its adoption of the mark, even though assignment, was done innocently, particularly given the suspicious timing of the said assignment from M/s. Jain Industries.

110. P.M. Diesels was the prior adopter and prior user of mark for diesel oil engines especially user of the mark for diesel engines, for pumps, motors and for several other similar products. Moreover, the mere fact that the suit was filed in 1985 and has continued to remain pending for the last several years, would not in any manner disentitle P.M. Diesels from a permanent injunction. 111. The observations of Court at an interim stage are based on a *prima facie* view of the material on record. However, after trial, the Court has to assess the material, documents, pleadings and evidence, independently of any observations made at the interim stage. The interim order dated 19<sup>th</sup> January, 1988, by which the injunction was vacated, was passed at a time when jurisprudence was not sufficiently evolved to injunct a registered proprietor of a mark. Further the claim of Thukral having acquired M/s. Jain Industries' rights was taken at face value at that time. It is after evidence has been led that





one sees that there was no use by M/s. Jain Industries at all. Today, even a registered proprietor can be injuncted in a passing off action, as per the settled legal position in law. In *N.R. Dongre v. Whirlpool Corp.*<sup>95</sup>, the ld. Division Bench of this Court held that the registered proprietor of the mark can be injuncted. The relevant portion of the said decision is as follows:

"31. According to section 28(1) of the Act, registration of a trade mark gives to the registered proprietor thereof exclusive right to use the same in relation to the goods in respect of which it has been registered. But from the opening words of section 28(1) namely, "subject to other provisions" it is clear that the **right conferred on** a trader is not an indefeasible right as the same is expressly made subject to other provisions of the Act. This is further made clear by section 27(2) of the Act, which provides that" nothing in this Act shall be deemed to affect the right of action against any person for passing off the goods as goods of another person or the remedies in respect thereof." Thus it is manifest that Section 28 of the Act and all other provisions come within the over-riding sway of section 27(2) of the Act. Similarly section 33 of the Act also saves vested rights of a prior user. It lays down that nothing in the Act shall entitle a registered proprietor of a trade mark to interfere with the use of the trade mark by a prior user of the same. Thus the right created by section 28(1) of the Act in favour of a registered proprietor of a trade mark is not an absolute right and is subservient to other provisions of the Act namely sections 27(2), 33 etc. Neither section 28 nor any other provision of the Act bars an action for passing off by an anterior user of a trade mark against a registered user of the same. In other words registration of a trade mark does not provide a defence to the proceedings for passing off as under section 27(2) of the Act a prior user of a trade

<sup>&</sup>lt;sup>95</sup> (1995) 34 DRJ 109 (DB)





mark can maintain an action for passing off against any subsequent user of an identical trade mark including a registered user thereof. Again this right is not affected by section 31 of the Act, under which the only presumption that follows from registration of a mark is its prima facie evidentiary value about its validity and nothing more. This presumption is not an unrebuttable one & can be displaced. Besides section 31 is not immune to the over-riding effect of section 27(2). *Placing reliance on section 28(3) of the Act the learned* counsel for the appellant contended that when two registered proprietors of identical or near similar trade marks cannot be deemed to have acquired exclusive right to the use of any of those trade marks against each other, how can an unregistered user of the trade mark maintain an action for passing off against a registered user of the same mark and seek an injunction restraining him from using it. This argument of the learned counsel seems to stem from a misconception about the real purpose and intent of section 28(3). Actually section 28(3) protects registered proprietor of a trade mark from an infringement action by another registered proprietor of an identical or near similar trade mark. In this regard it will also be necessary to extract Section 28(3) and section -30(1) (d) which carries of the intent of section 28(3).

32. A reading of section 28(3) with section 30(1)(d)shows that the proprietor of a registered trade mark cannot file an infringement action against a proprietor of an identical or a similar trade mark. While sections 28(3) and 30(1)(d) on the one hand deal with the rights of registered proprietors of identical trade marks and bar action of infringement against each other, section 27(2) on the other hand deals with the passing off action. <u>The rights of action under section 27(2) are not affected by section 28(3) and section 30(1)(d). <u>Therefore, registration of a trade mark under the Act</u></u>





would be irrelevant in an action for passing off. Registration of a trade mark in fact does not confer any new right on the proprietor thereof than what already existed at common law without registration of the mark. The light of goodwill & reputation in a trade mark was recognised at common law even before it was subject of statutory law. Prior to codification of trade mark law there was no provision in India for registration of a trade mark. The right in a trade mark was acquired only by use thereof. This right has not been affected by the Act and is preserved and recognised by sections 27(2) and 33.

112. The above decision of the ld. Division Bench has been affirmed by the Supreme Court in *N.R. Dongre (supra)*, where the Supreme Court observed as under:

"On the above conclusion reached on the facts of this case, it is unnecessary to refer to the several decisions cited at the bar to indicate the settled principles of law regulating grant or refusal of interlocutory injunctions and the scope for grant of such an injunction in a passing-off action even against the proprietor of a registered trade mark. None of those decisions lays down that in a passing-off action based on the right in common law distinct from the statutory right based on a registered mark, an injunction cannot be granted even against an owner of the trade mark in an appropriate case. It is for this reason, Shri Kapil Sibal fairly conceded this position at the outset and relied on the fact of registration in favour of the defendants only for the limited purpose indicated earlier. The surviving controversy at this stage was confined only to the legality and propriety of an interlocutory injunction granted on the facts of this case.

It cannot be seriously disputed that on the findings recorded by the trial court and affirmed on appeal by the Division Bench which appear to us as reasonable





<u>conclusion on the relevant material, grant of an</u> <u>interlocutory injunction is the appropriate order to</u> <u>make and the proper exercise of discretion by the trial</u> <u>court.</u> The decision of this court in F Wander Ltd. & Anr. v. Antox India P. Ltd. (supra) is alone sufficient to support this view. We may add that the trial court has taken care to protect the defendants' interest at the interlocutory stage during the trial of the suit in the language used for grant of the interlocutory injunction reserving liberty to apply for its discharge or variation if additional material or G subsequent events justify such a course. This appeal must, therefore, fail."

113. The Supreme Court in *S. Syed Mohideen (supra)*, further observed as follows:

"Section 34 of the Trade Marks Act, 1999 provides that nothing in this Act shall entitle the registered proprietor or registered user to interfere with the rights of prior user. Conjoint reading of Section 34, 27 and 28 would show that the rights of registration are subject to Section 34 which can be seen from the opening words of Section 28 of the Act which states "Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor...." and also the opening words of Section 34 which states "Nothing in this Act shall entitle the proprietor or a registered user of registered trade mark to interfere ......". Thus, the scheme of the Act is such where rights of prior user are recognized superior than that of the registration and even the registered proprietor cannot disturb / interfere with the rights of prior user. The overall effect of collective reading of the provisions of the Act is that the action for passing off which is premised on the rights of prior user generating a goodwill shall be unaffected by any registration provided under the Act. This proposition has been discussed in extenso in the case of N.R.





Dongre And Ors. v. Whirlpool Corporation And Anr [AIR (1995) Delhi 300] wherein Division Bench of Delhi High Court recognized that the registration is not an indefeasible right and the same is subject to rights of prior user. The said decision of Whirlpool [supra] was further affirmed by Supreme Court of India in the case of N.R. Dongre and Ors. v. Whirlpool Corporation And Anr. [(1996) 5 SCC 714]"

114. The non-grant of the injunction for the last more than 35 years cannot disentitle P.M. Diesels for an injunction at the final stage, if it has established its case as also its entitlement in law on the basis of its legal rights.

115. Accordingly, it is held that P.M. Diesels is entitled to a permanent injunction restraining the Defendant-Thukral Mechanical Works, and anyone else acting for or on their behalf from using the mark 'FIELDMARSHAL' in respect of centrifugal pumps, mono block pumps or any other products, so as to result in passing off, as that of P.M. Diesels or as being connected to P.M. Diesels' business.

Issue 5: Whether the plaintiffs are entitled to rendition of accounts as claimed in the plaint? OPP

## Issue 8: Relief?

116. In its suit, P.M. Diesels has sought the following prayers:

"16. It is, therefore, most humbly prayed that decree be passed in favour of the plaintiff and against the defendants to the following effects :i) For perpetual injunction restraining the defendants, their servants, agents, representatives, dealers, and all other persons on their behalf from





manufacturing selling or otherwise dealing in diesel oig engines and parts thereof, electric motors, agricultural pumps or centrifugal pumps or parts thereof or any other goods of the same description under the trade mark FIELD MARSHAL or any other trade mark identical and/or deceptively similar to the plaintiff's registered trade mark FIELD MARSHAL

*ii)* For perpetual injunction restraining the defendants, their servants, agents, representatives and all other persons on their behalf from passing off diesel oil engines, and parts thereof such as pumps and electric motors and bends, valves etc. under the trade mark FIELD MARSHAL and/or any other trade mark which may be identical and/or deceptively similar to plaintiff's trade mark FIELD MARSHAL.

iii) For delivery upon affidavit by defendants to the plaintiffs of all the offending, counterfeiting, goods such as agricultural or centrifugal pumps, electric motors or diesel oil engines or parts thereof etc. dies, blocks, labels, cartons wrappers and all other incriminating materials bearing the infringing trade mark FIELD MARSHAL under the possession and/or control of the defendants for destruction and/or erasure purposes;

iv) For rendition of accounts of profits earned by defendants on the sales of the said goods such as agricultural pumps or centrifugal pumps bends reflex valves and parts thereof etc. under the infringing trade mark FIELD MARSHAL and a decree for the amount so found due on the basis of sales made during the past three years earlier to the filing of the suit till the date of injunction order/decree. v) For costs of the proceedings;

vi) For such other or further relief or reliefs as to





which this Hon'ble Court may deem fit and necessary in the facts and circumstances of the case."

117. The suit is decreed in terms of prayers 16(i) & 16(ii) above. Insofar as prayer 16(iii) is concerned, in view of the fact that Thukral Mechanical Works has been using the mark 'FIELDMARSHAL' for centrifugal pumps and other products, during the pendency of the suit, Thukral Mechanical Works is given a period of six months to exhaust its stock. However, no fresh manufacturing shall be made by Thukral Mechanical Works under the mark 'FIELDMARSHAL'.

118. Insofar as prayer 16(iv) for rendition of accounts of profits is concerned, the Court notes that the adverse inference relating to the non-production of an original invoice dated 22<sup>nd</sup> October, 1995 ought to have a bearing on the relief granted. For whatever reason, the said original invoice has not been produced by P.M. Diesels. In such a case, this Court is of the opinion that the relief of damages/rendition of accounts ought not to be granted, especially as Thukral was permitted to use the trade mark 'FIELDMARSHAL' by vacation of the interim injunction vide order dated 19<sup>th</sup> January, 1988. Thus, relief under para 16 (iv) is declined.

2. Decision in Sumita Rani v. Nitin Machine Tools Pvt. Ltd., Popular Machinery Store, M/s. P. M. Diesels Pvt. Ltd. [CS (COMM) 473/2016]

119. The following issues were framed in this suit vide order dated 19<sup>th</sup> August, 2004:

*"1. Whether the Suit has been signed and verified by the competent person? OPP* 





- 2 Whether the Suit has been properly valued for the purpose of court fee and jurisdiction? OPP
- 3. Whether the Plaintiff is the registered owner through assignment of the trademark "Field Marshal" in respect of centrifugal pumps? OPP
- 4. Whether the defendants are the prior user of the trademark Field Marshal in respect of centrifugal pumps than the plaintiff? OPD
- 5. Whether the plaintiff has acquiesced to the user of the trademark by the defendants, if so, its effect? OPD
- 6. Whether the user of trademark "Field Marshal" by the defendant amounts to infringement of the registered trademark no. 228867 & passing off and if yes, its effect? OPP
- 7. Whether the plaintiff is entitled to the decree of injunction as prayed for? OPP
- 8. Whether the plaintiff is entitled to the decree of rendition of accounts as prayed for? OPP
- 9. Whether the goods in respect of which the defendants are using the trade mark field Marshal & the goods in respect of which plaintiff is using the trademark "Field Marshal" are cognate & allied goods? OPD
- 10. Relief"

Issue No. 1: Whether the Suit has been signed and verified by the competent





person? OPP.

Issue No. 2. Whether the Suit has been properly valued for the purpose of court fee and jurisdiction? OPP

120. The suit has been filed by Mr. Sushil Thukral. No arguments have been addressed that he is lacking competence to file the suit. He has also deposed as PW-1 in the suit. No submissions have also been made on improper valuations. Accordingly, these issues are decided in favour of Thukral Mechanical Works.

# <u>Issue No.3.</u> – Whether the Plaintiff is registered owner of registered trade mark FIELD MARSHAL in respect of centrifugal pumps and other goods? <u>OPP</u>

121. Thukral's trade mark bearing no. 228867 was originally granted in favour of M/s. Jain Industries in class 7. The same was transferred vide deed of assignment dated 30<sup>th</sup> May, 1986. The said assignment is on Rs.10/- stamp paper and is purportedly signed by all partners of M/s. Jain Industries. The said assignment deed records that Thukral admits to have satisfied itself of M/s. Jain Industries' use of the mark 'FIELDMARSHAL' for centrifugal pumps since 1973. The assignment is along with goodwill of business in respect of goods i.e. centrifugal pumps and valves since 1973. The total consideration paid is Rs.5,000/-. The clauses of the assignment deed read as under:

"THIS AGREEMENT is Made this 30<sup>th</sup> day of May 1986, at Delhi between Messrs JAIN INDUSTRIES, 1166, Phatak Suraj Bhan, Belangaj, Agra-282004 (U.P.) (hereinafter called party of the first part) and





Messrs Thukral Mechanical Works, Railway Road, Sirhind (Punjab) (hereinafter called the party of the second part).

WHEREAS party of the first part is the registered proprietor of the Trade Mark FIELD MARSHAL under Registration No. 228867 dated 13.5.1965 in respect of Flour Mills, circulating and centrifugal Pumps, Couplings for Machines, Pulleys included in class 7 and valves (parts of Machines) in class 7 under Trade and Merchandise Marks Act, 1958. The said registration is valid and subsisting.

WHEREAS the party of the first part raised objection to the use of the Trade Mark FIELD MARSHAL by the party of the second part in respect of Centrifugal Pumps, Valves and cuppings for machines.

WHEREAS the parties above named have settled their dispute on the terms and conditions stated hereinafter

NOW this deed witnesseth as under:-

1. The party of the second part admit the claim of the party of the first part to its registered trade mark no. 228867 in class 7 in respect of the goods to which the registration extends.

2. That the party of the second part has satisfied the party of the first part of having used the mark FIELD MARSHAL in respect of Centrifugal Pumps and Valves since 1973.

3. The party of the second part has agreed to purchase the rights of the party of the first part to the Trade Mark FIELD MARSHAL in respect of circulating and centrifugal pumps and valves and relating parts (items) thereof included in class 7 to which the said registration extends.

4. The party of the first part has agreed to sell all its rights, title and interest in the said mark FIELD MARSHAL along with the goodwill of the business in which the mark has been used in relation to the goods specified in para 3 above.





5. The party of the second part has now paid sum of Rs. 5,000/- (Five thousand only) as a consideration the party of the first part.

6. That the parties have agreed to file joint application before the Registrar of Trade Marks for the assignment of the trademark registered under number 228867 in class 7 in the name of the party of the second part. The party of the first part further agrees to render all assistance to the party of the second part in seeking protection and enforcement of the said vested rights.

7. This agreement shall be binding upon the parties their heirs, assigns in business, legalrepresentatives for all time to come. IN WITNESS HEREOF the parties have put their hand on this deed in the presence of the following witnesses."

One of the recitals in the agreement states that Thukral had satisfied itself of the use of the mark FIELD MARSHAL by M/s. Jain Industries. The basis of such satisfaction is unknown and therefore a mere recital cannot lead to an inference or conclusion that there was use of the mark by M/s. Jain Industries. 122. This registration was under challenge by P.M. Diesels by filing a cancellation petition on the ground of non-user. Upon learning of the assignment in favour of Thukral since nobody appeared for M/s. Jain Industries, the said petition bearing *C.O. No. 9/1986* was withdrawn and *C.O. No. 6/1987* was filed, which was pending before this Court. Assistant Registrar of Trade Marks has accepted the Form TM-24/TM-23 dated 7<sup>th</sup> June, 1986 and has registered Thukral Mechanical Works as subsequent proprietor. A perusal of the trade mark registration shows that it is registered in respect of the following goods namely: *"flour mills, circulating and centrifugal pumps, coupling for machines, pulleys including in class 7 and valves, parts of machines"*.





123. The assignment is limited in nature and is only in respect of circulating and centrifugal pumps and valves as can be seen from clauses 3 & 4. However, the Trade Mark Registrar has allowed the assignment fully and has registered Thukral Mechanical Works as subsequent proprietor of the mark. This could not have been done unless M/s. Jain Industries consented to the same. The assignment was limited in nature only for products mentioned in class 3 of the assignment.

124. In any event, Thukral's contention that the registration has been upheld by the Supreme Court, may also not be correct, as the matter has been remanded to be determined afresh. The cancellation petition and the suit were consolidated. User had to be established by Thukral, either directly or through M/s. Jain Industries in respect of centrifugal pumps.

125. This Court has already held above that Thukral had not used this mark until 1985. The cancellation petition was filed in 1987. Even M/s. Jain Industries had not used the mark for centrifugal pumps or any other products. The user claimed by M/s. Jain Industries in its trade mark application is of 1963 but the user stated in clause 2 of the assignment deed is of 1973<sup>96</sup>. These are glaring contradictions. The only product on which 'FIELDMARSHAL' appears, as shown in one catalogue produced by Karam Chand Aneja, was a flour mill, the photograph of which has been extracted above.

126. The evidence on record shows that no evidence of user by M/s. Jain Industries exists. The evidence produced by Thukral is not credible. This Court holds that the assignment by M/s. Jain Industries has been wrongly allowed for all goods. There has clearly been no application of mind by the

<sup>&</sup>lt;sup>96</sup> "2. That the party of the second part has satisfied the party of the first part of having used the mark FIELD MARSHAL in respect of Centrifugal Pumps and Valves <u>since 1973</u>."





Registrar of Trade Marks while allowing the assignment. Moreover, it also appears that the assignment was merely obtained by Thukral in some manner so as to justify the use of the mark 'FIELDMARSHAL' by Thukral, which had adopted the said mark subsequent in point of time than P.M. Diesels. At the time of assignment, the suit of 1985 had already been instituted. This fact may not even have been brought to the notice of the office of the Registrar of Trade Marks. The assignment is for a larger number of goods than what the assignment deed itself contemplated. Thus, the recordal of the assignment in favour of Thukral is defective. Moreover, the clauses in the assignment deed recognising user are also clearly not made out from the evidence. There has been no user established of M/s. Jain Industries. The Court is also concerned with the purity of the Register of Trade Marks in such a case, when a dishonest adoption is sought to be justified on the strength of the assignment of a mark, which has not been used at all. Thus, in the absence of any right of M/s. Jain Industries to obtain a registration in respect of the mark 'FIELDMARSHAL', a better titled cannot be passed to Thukral by M/s. Jain Industries. Considering the above, the trade mark registration no. 228867 dated 13th May, 1965 assigned by M/s. Jain Industries to Thukral deserves to be cancelled/rectified. Ordered accordingly.

# Issue No.4: Whether the defendants are the prior user of the trademark Field Marshal in respect of centrifugal pumps than the plaintiff? OPD.

127. This issue has already been decided against Thukral above in Issues Nos. 3 & 7 of *Suit No. CS (OS) 2408/1985*. P.M. Diesels has been able to prove its prior user and adoption of the mark 'FIELDMARSHAL'. This issue is decided against Thukral.





Issue No.5: Whether the plaintiff has acquiesced to the user of the trademark by the defendants, if so, its effect? OPD.

128. The issue raised here concerns whether Thukral is guilty of acquiescence in using the mark 'FIELDMARSHAL'. As held above, P.M. Diesels has been using the mark 'FIELDMARSHAL' for centrifugal pumps since at least 1975. In light of this, the suit filed in 1992 is, in fact, a complete afterthought and nothing but a counterblast to the suit filed by P.M. Diesels in 1985. Thukral was always aware that P.M. Diesels was using the mark 'FIELDMARSHAL' for centrifugal pumps, as evidenced by advertisements, brochures, and pamphlets, being in the same field and having common business connections with P.M. Diesels. Thukral never objected to P.M. Diesels' use of the mark 'FIELDMARSHAL'.

Issue No. 6: Whether the user of trademark "Field Marshal" by the defendant amounts to infringement of the registered trademark no. 228867 & passing off and if yes, its effect? OPP

129. Following the above findings, since P.M. Diesels is a prior adopter, prior continuous user and owner of the mark 'FIELDMARSHAL' even prior to the registration by M/s. Jain Industries, use by P.M. Diesels cannot amount infringement or passing off. Moreover, P.M. Diesels started use of the mark 'FIELDMARSHAL' in 1963 and it was entitled to legitimate expansion of its trade even in centrifugal pumps, as recognized and acknowledged in *Laxmikant V. Patel v. Chetanbhai Shah*<sup>97</sup>, the relevant extract of the said decision is set out below:

<sup>&</sup>lt;sup>97</sup> (2002) 3 SCC 65





"It is common in the trade and business for a trader or a businessman to adopt a name and/or mark under which he would carry on his trade or business. According to Kerly (Law of Trade Marks and Trade Names, Twelfth Edition, para 16.49), the name under which a business trades will almost always be a trade mark (or if the business provides services, a service mark, or both).

Independently of questions of trade or service mark, however, the name of a business (a trading business or any other) will normally have attached to it a goodwill that the courts will protect. An action for passing-off will then lie wherever the defendant company's name, or its intended name, is calculated to deceive, and so to divert business from the plaintiff, or to occasion a confusion between the two businesses. If this is not made out there is no case. The ground is not to be limited to the date of the proceedings; the court will have regard to the way in which the business may be carried on in the future, and to its not being carried on precisely as carried on at the date of the proceedings. Where there is probability of confusion in business, an injunction will be granted even though the defendants adopted the name innocently. It will be useful to have a general view of certain statutory definitions as incorporated in the Trade Marks Act, 1999. The definition of trade mark is very wide and means, inter alia, a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others. Mark includes amongst other things name or word also. Name includes any abbreviation of a name."

130. Thus, the use of the said mark by the prior user, prior adopter and owner of the mark cannot amount infringement of passing off.

131. Issues nos. 5, 6 & 7 are, accordingly, decided against Thukral. It is held

that Thukral is not entitled to any injunction against P.M. Diesels. The suit





is, accordingly, liable to be dismissed.

Issue No.8: Whether the plaintiff is entitled to the decree of rendition of accounts as prayed for? OPP.

132. Since Issues Nos. 5,6, &7 are decided against Thukral, the relief of rendition of accounts cannot, therefore, be granted in favour of Thukral.

Issue No.9 : Whether the goods in respect of which the defendants are using the trade mark field Marshal & the goods in respect of which plaintiff is using the trademark "Field Marshal" are cognate & allied goods? OPD.

133. This issue has already been discussed above in the section titled 'COGNATE & ALLIED GOODS'. For the reasons stated therein, diesel oil engines and centrifugal pumps are held to be cognate and allied goods.

# <u>Issue No.10 – Relief?</u>

134. In view of the above findings, Thukral is not entitled to any relief. The suit of Thukral is liable to be dismissed. Ordered accordingly.

3. Decision in P. M. Diesels Pvt. Ltd. v. Thukral Mechanical Works & Registrar of Trade Marks (C.O. No.6/1987) [renumbered as C.O. (COMM.IPD-TM) 667/2022]

135. The present cancellation petition filed under the provisions of the 1958 Act relates to the trade mark registration no.228867 in class 7. In view of the discussion in Issue No. 3 in *CS(COMM)* 473/2016 above, the assignment in favour of Thukral, is defective. Moreover, no use of the mark FIELD





MARSHAL by M/s. Jain Industries for the mark applied for has been shown. 136. This found that Thukral had Court not used the mark 'FIELDMARSHAL' prior to 1985, and further, M/s. Jain Industries had not used it for their products, except for a flour mill as shown in a catalogue, extracted above. Despite Thukral's claim of use of the mark from 1985, and the cancellation petition being filed in 1987, the earliest printed invoice on record, of Thukral bearing the mark 'FIELDMARSHAL' are from 1988, subsequent to the filing of the cancellation petition. Thus, the use of the said mark by Thukral does not meet the five-year requirement under Section 46(1)(b) of the 1958 Act.

137. Further, the assignment of the said mark by M/s. Jain Industries for goods beyond the original assignment deed dated 30<sup>th</sup> May, 1986 to Thukral shows that it was improperly granted. The Court notes that the said assignment deed ignored the 1985 suit and found the assignment's recordal in favour of Thukral, defective due to lack of evidence of use by M/s. Jain Industries. Thus, this Court concludes that the trade mark registration no. 228867 dated 13<sup>th</sup> May, 1965 is liable to be rectified or cancelled.

138. The Court is also concerned with maintaining the purity of the Register of Trade Marks in such cases, where the assignment of a mark, which has not been used at all, is sought to be justified on the strength of assignment of a mark which has not been used at all.

139. The Supreme Court in *Vishnudas Trading as Vishnudas Kishendas v*. *The Vazir Sultan Tobacco Co. Ltd., Hyderabad (1996 INSC 719)*, held that if a manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification, and such trader or manufacturer has no *bona fide* intention to trade in or manufacture other goods or articles





which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the articles which may come under such broad classification and by that process preclude the other traders or manufacturers to get registration of separate and distinct goods which may also he grouped under the broad classification. The relevant extract of the said decision reads as follows:

> "44. The respondent Company got registration of its *"Charminar"* brand name under the broad classification 'manufactured tobacco'. So long such registration remains operative, the respondent Company is entitled to claim exclusive use of the said brand name in respect of articles made of tobacco under the said broad classification coming manufactured tobacco. Precisely for the said reason, when the appellant made application for registration of quiwam and zarda under the same brand name "Charminar", such prayer for registration was not allowed. The appellant, therefore, made application for rectification of the registration made in favour of the respondent Company so that the said registration is *limited* only in respect of the articles being manufactured and marketed by the respondent Company, namely, cigarettes. In our view, if a trader or manufacturer actually trades in or manufactures only one or some of the articles coming under a broad classification and such trader or manufacturer has no bonafide intention to trade in or manufacture other goods or articles which also fall under the said broad classification, such trader or manufacturer should not be permitted to enjoy monopoly in respect of all the may come under such broad articles which classification and by that process preclude the other traders or manufacturers to get registration of separate and distinct goods which may also be ground under the broad classification. If registration has been given





generally in respect of all the articles coming under the broad classification and <u>if it is established that the</u> <u>trader or manufacturer who get such registration had</u> <u>not intended to use any other article except the articles</u> <u>being used by such trader or manufacturer, the</u> <u>registration of such trader is liable to be rectified by</u> <u>limiting the ambit of registration and confining such</u> <u>registration to the specific article or articles which</u> <u>registration made in his favour. In our view, if</u> <u>rectification in such circumstances is not allowed, the</u> <u>trader or manufacturer by virtue of earlier registration</u> <u>will be permitted to enjoy the mischief of trafficking in</u> <u>trade mark</u>. [...]

46. Since such registration initially had not been done, the rectification of the registration by limiting or confining the registration of trade mark of the Respondent Company to particular goods, namely, cigarettes, in the facts and circumstances of the case, cannot be held as illegal or justified."

140. The only product for which M/s. Jain Industries had used the mark 'FIELDMARSHAL' was a flour mill. There has been no use of the said mark in respect of centrifugal pumps etc. Thus, no goodwill of business *qua* these products could have passed to Thukral.

141. This Court has already held that the original owner of the mark 'FIELDMARSHAL' is P.M Diesels. Thukral is not an honest and concurrent user of the said mark.

142. Thus, the mark 'FIELDMARSHAL' bearing no. 228867 dated 13<sup>th</sup> May, 1965 in class 7 registered in favour of Thukral is liable to be cancelled and removed from the Register of Trade Marks. Ordered accordingly.

...





# 4. Decision in writ petitions - 'P.M. Diesels Pvt Ltd v. Thukral Mechanical Works & Asst. Registrar of Trade Marks'

# 143. These are 10 writ petitions that arise out of the following trade marks:

S. No	Petition no.	Applications filed by P.M. Diesels
1.	W.P.(C)-IPD 28/2021	Trade mark: 'FIELDMARSHAL' in
	P.M. Diesels Pvt Ltd v.	Bengali language
	Thukral Mechanical Works,	
	Asst. Registrar of Trade	Details of the mark: 423262 dated
	Marks	16 <sup>th</sup> June, 1984 in class 7.
2.	W.P.(C)-IPD 29/2021	Trade mark: 'FIELDMARSHAL' in
		Kannada language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423264 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
3.	W.P.(C)-IPD 31/2021	Trade mark: 'FIELDMARSHAL' in
		Gujrati language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423260 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
4.	W.P.(C)-IPD 32/2021	Trade mark: 'FIELDMARSHAL' in
		Urdu language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423259 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
5.	W.P.(C)-IPD 33/2021	Trade mark: 'FIELDMARSHAL' in
		Malayalam language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423267 dated
	Works, Asstt. Registrar of Trade Marks	16 <sup>th</sup> June, 1984 in class 7.





	$\sim$	
6.	W.P.(C)-IPD 34/2021	Trade mark: 'FIELDMARSHAL' in
		Hindi language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423261 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
7.	W.P.(C)-IPD 35/2021	Trade mark: 'FIELDMARSHAL' in
		Telugu language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423265 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
8.	W.P.(C)-IPD 36/2021	Trade mark: 'FIELDMARSHAL' in
		Tamil language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423266 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
9.	W.P.(C)-IPD 38/2021	Trade mark: 'FIELDMARSHAL' in
		Odia language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423258 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	
10	W.P.(C)-IPD 39/2021	Trade mark: 'FIELDMARSHAL' in
		Punjabi language
	M/s. P. M. Diesels Pvt. Ltd.	
	v. M/s. Thukral Mechanical	Details of the mark: 423263 dated
	Works, Asstt. Registrar of	16 <sup>th</sup> June, 1984 in class 7.
	Trade Marks	

144. The above-mentioned trade mark applications filed by P.M. Diesels were opposed by Thukral. Vide order dated 12<sup>th</sup> August, 1992, passed by the Registrar of Trade Marks, the oppositions filed by Thukral were allowed partially in the following terms:





"The applicants have failed to establish the use of the mark for the goods as claimed in the impugned applications. Their adoption or their intention to expand the registration for the goods in question appears to be bonafide. Equally they are not found up to the mark in putting their claim of registration on the basis of use or under any 'special circumstances'. The parties are disputing their various respective claims in the superior court viz. Hon'ble Delhi High Court. They could not reach to any amicable settlement in the matter on the basis of the principle 'live and let live'. This Tribunal is empowered in terms of section 18(4) of the Act to refuse the application or to accept the application absolutely or subject to some amendments etc. Shri Singh did not have any objection, in granting the registration to the applicants for the goods, except those covered by the opponents earlier registration.

In view of the foregoing and on consideration of the overall circumstances of the case; opposition No. AMD-314, AMD-4, AMD-320, AMD-315, AMD-316, AMD-406, AMD-56, AMD-309, AMD-318 & AMD-317 are allowed to the extent that the applicants are not entitled to the registration of the impugned mark for the specification of goods as sought for in their impugned application Nos. 423258 to 423267. However the impugned mark can be considered for registration, if the applicants so desire, in respect of those goods which are not covered / included in the opponents earlier registration under No. 228867 in class 7. The parties are left to bear their own costs of these proceedings."

145. The above order was challenged before the IPAB, which vide order dated 11<sup>th</sup> February, 2005 allowed the oppositions and rejected P.M. Diesels' applications.

146. In view of the above findings of this Court today, P.M. Diesels is held





be proprietor. original adopter and owner of the mark to the 'FIELDMARSHAL' in respect of diesel oil engines, mono block pumps and centrifugal pumps and related goods. It is the bona fide adopter of the said mark. The applications filed by P.M. Diesels are in different languages i.e. Tamil, Malayalam, Hindi etc. All the aforesaid applications were filed on 16th June, 1984 in class 7 for registration of the label mark consisting of the word 'FIELDMARSHAL' (in different languages-Tamil, Malayalam, Hindi etc.) The specification of goods in all the ten applications are reading as 'Diesel Engines (not for land vehicles) and parts thereof, Centrifugal Pumps, Submersible Pumps, Electric Motors (not for land vehicles) Monoblocks, Foot valve'.

147. In view of the fact that P.M. Diesels is the *bona fide* prior adopter, prior user and legitimate owner of the mark FIELD MARSHAL, which it has used by a large distributor and dealer network across India and abroad, including in various States, it is entitled to registration of the mark in respect of the goods applied for in class 7, in different languages. The writ petitions are allowed, and the impugned order dated 11<sup>th</sup> February, 2005 is set aside. The applications bearing nos. applications nos. 423258 to 423267 of P.M. Diesels for the mark 'FIELDMARSHAL' are, accordingly, directed to be proceeded for registration, in accordance with the 1999 Act. Let the trade mark registration certificates be issued in one month.





# 5. Interpolation

148. One of the main submissions of P.M. Diesels is that there was an interpolation carried out in its trade mark application bearing no. 389729. The same was applied for on 10<sup>th</sup> May 1982 in class 7. At the time when the dispute broke out between the parties, the mark was still pending registration. The mark was initially applied for as under:

"Diesel oil engines (not for land vehicles) and parts thereof; monoblock, electric motors, pumps, included in class 7."

149. However, in the original record of the Registry, which is before this Court, there are documents which make it quite evident that some changes have been carried out selectively, by hand and/or typing, restricting the goods by adding a sentence. In order to properly appreciate this, the following documents from the Registry's records are extracted hereinbelow:





<u>a</u>	ι.	Trade ma	ark applicatio	on – as applied	l for (Representation sheet):
5	334	[]	Field	Imar	eshal
¥		Applicants	PM DIESELS	PRIVATE LIMI	TED,
		Goods :	Diesel oil vehicles ar monoblock, included in	engines (not ad parts there electric moto a Class 7	for land sof: ors, pumps
		Class:	7		
	vh	User :	Since the	2219 your 1963	(M. P. Mirchandani & Co.) Attorneys for the Applicants 57, Sneh Sadan, Opp. Colabe Post Office. BOMBAY-400 005.





b. Trade mark application with the changes made in writing/typing-

application reflecting association with earlier registered trade marks:

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		10 MAY 1982
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	Pal	
	anshas	
	Fieldmanshal	
1	Jeen	arshal
1 Sa	221	
<b>7</b>		
ĩ	1	-

Application is hereby made for Registration in Part A/B<sub>c</sub> of the Register of the accompanying Trade Mark in Class 7

in respect of

Diesel Oil Engines (not for land vehicles) and parts-thereof; formes monoblock, electric motors, pumps included in Class 7

in the name(s) of

P M DIESELS PRIVATE LIMITED

(Manufacturers & Merchants)

(A private limited company incorporated

under the Indian Companies Act)

trading as

whose address is

Aji Industrial Estate, Patel Manufacturers' Premises, PO Box No:510 RAJKOT 3;

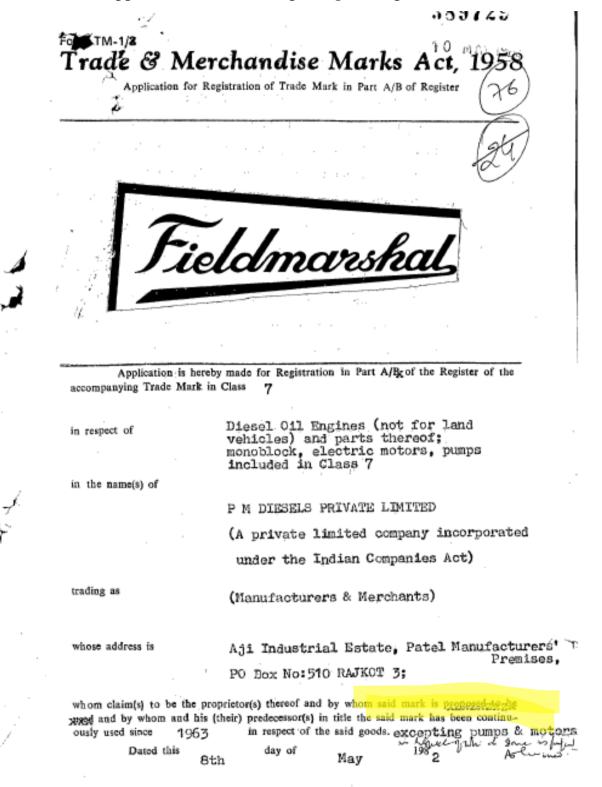
whom claim(s) to be the proprietor(s) thereof and by whom said mark is proposed to the said by whom and his (their) predecessor(s) in title the said mark has been continuously used since 1965 in respect of the said goods, excepting pumps & motors Dated this day of May 1982 & mp Manhoand agree & account the fuend mark Rep. I. M. NDS. 224899 2520109 252018 M day).

C.O. (COMM.IPD-TM) 667/2022 & connected matters





c. Trade mark application with an exception qua the goods:



C.O. (COMM.IPD-TM) 667/2022 & connected matters





d. Trade mark application no. 389729 as advertised in the Trade Marks

Journal No. 902 dated 10th May, 1982:

Class 7

and the second second

ieldmanshul.

Advertised before acceptance under section 20(1) (proviso).

**389,729.**—May 10, 1982. P. M. DIESELS PRIVATE LIMITED, Aji Industrial Estate, Patel Manufacturers Premises, P. O. Box No. 510, Rajkot-3; Manufacturers and Merchants. User claimed since the year 1965. Except pumps and motors in respect of which mark is proposed to be used. To be Associated with No. 224,879(380)vii and others. (BOMBAY).

Diesel oil engines (not for land vehicles) and parts thereof, monoblock pump sets, electric motors (not for land vehicles) and pumps included in Class 7.

150. The above documents would show that the initial trade mark application made by P.M. Diesels is for the following goods:

"Diesel oil engines (not for land vehicles and parts thereof; monoblock, electric motors, pumps included in class7)"

151. However, there are multiple forms and representation sheets in the original records sent by the Trade Marks Registry. In two of the forms, an exception to the following effect has been added in the following manner:





#### **Instance No. 1**

whom claim(s) to be the proprietor(s) thereof and by whom said mark is proprested to 2002 proved and by whom and his (their) predecessor(s) in title the said mark has been continuously used since 1965 in respect of the said goods, excepting pumps & motors Dated this day of May 1982 & The applicant afree & accouncil the fuend mark with Repi. T. M. NDS. 224879 2520709 252078 Min clam).

#### Instance No. 2

and his (their) 1963	predecessor(s) in	title the sa	aid mark is <u>proposedited</u> aid mark has been continue s. excepting pumps in property source 1982	-
				8.

#### **Instance No. 3**

in respect of	Diesel Oil Engines (not for land vehicles) and p <del>arts thereof;</del> Sumes monoblock, electric motors, pumps included in Class 7
in the normalic) of	

152. In the journal extract, the exception has been added curiously in the initial description and not as an exception in the section relating to goods. This shows that the exception that has been inserted, as per ld. Counsel Mr. Mahabir is an interpolation.

153. In the above documents, clearly, the sentence beginning with "*except*" till "*proposed to be used*", was an interpolation and was initially not present in the application made by P.M. Diesels. Thus, records in respect of the said mark and the insertion of this condition/disclaimer were challenged. A perusal of the trade mark examination shows that the trade mark did not have any such condition imposed. In the examination report dated 10<sup>th</sup> May, 1982<sup>98</sup> and

<sup>&</sup>lt;sup>98</sup> P.M. Diesels' Compilation, 'Summoned records of Trade Mark Application no. 389728 and 389729' p. 534-535.





the reply thereto, there is no discussion about pumps. Further, upon publication in this advertisement with the condition, the ld. Counsel for P.M. Diesels raised an objection and sought publishing of a corrigendum, vide letter dated 9th November, 1987<sup>99</sup>.

154. As per P.M. Diesels, it applied to register the 'FIELDMARSHAL' mark, claiming its use on their goods since 1965, and submitted an affidavit supporting this claim. This application, along with another one for the 'FM FIELDMARSHAL' logo under application No. 389728 in class 7 for the same goods, was accepted based on documentary evidence and affidavits provided by the applicant. Both trade marks were advertised, with registration no. 389728 appearing in the Trade Marks Journal No. 862.

155. However, as the letter noted, a discrepancy arose with the advertisement of the subsequent application, bearing registration no. 389729 in class 7, in the Trade Marks Journal No. 902. The said advertisement included an unexpected amendment stating *"except pumps and motors in respect of which the mark is proposed to be used"*, a condition neither claimed nor amended by P.M. Diesels. This led to the said letter, to correct the record and protect their rights. In terms of said letter, the inclusion of the said disclaimer was challenged, as it did not reflect in the trade mark registrations or the examination report dated 10th May, 1982, nor was it discussed in the subsequent replies. In relation to this aspect, no further order was passed. The mark was thereafter opposed by Thukral in Oppn. Number BOM-6633, dated 1<sup>st</sup> June, 1985. The records of this opposition were summoned by this Court and the files are part of the record.

<sup>&</sup>lt;sup>99</sup> P.M. Diesels' Compilation, 'Letter dated 9<sup>th</sup> November, 1987 to the Registrar of Trade Marks' p. 541-542.





156. In view of the findings given above, the said opposition files and other original records be sent back to the Office of the CGPDTM who shall consider the opposition as also P.M. Diesels' representation for issuance of a corrigendum. Orders be passed bearing in mind the findings in the present judgement as well. The Registry is directed to send back the said files to the Office of the CGPDTM.

Suit No. 1: P.M. Diesels	This suit is decreed in terms of paragraphs	
Pvt. Ltd. v. Thukral	16(i) and 16(ii) of the plaint. Insofar as relief	
Mechanicals Works [CS	funder paragraph 16(iii) is concerned, six	
(OS) 2408/1985]	months' time is granted to Thukral	
	Mechanical Works for exhaustion of the	
	stock. No other reliefs are granted.	
Suit No. 2: Sumita Rani v.	For the foregoing reasons, this suit filed by	
Nitin Machine Tools Pvt. Thukral Mechanical Works seeking injunction		
Ltd., Popular Machinery and other reliefs against P.M. Diesels		
Store, M/s. P. M. Diesels dismissed.		
Pvt. Ltd. [CS (COMM)		
473/2016]		
Cancellation Petition: P.	The registration in favour of Thukral	
M. Diesels Pvt. Ltd. v.	Mechanical Works bearing no. 228867 dated	
Thukral Mechanical	13 <sup>th</sup> May, 1965, in Class 7 is cancelled/liable	
Works & Registrar of	to be removed from the Trade Marks Register.	
Trade Marks (C.O.	Ordered accordingly.	

# E. Summary of conclusions





No.6/1987) [renumbered			
as C.O. (COMM.IPD-TM)			
667/2022]			
10 writ petitions: P.M.	These are ten writ petitions involving		
Diesels Pvt Ltd v. Thukral	trademark applications nos. 423262, 423264,		
Mechanical Works, Asst.	423260, 423259, 423267, 423261, 423265,		
Registrar of Trade Marks	423266, 423258, 423263 dated 16th June,		
[W.P.(C)-IPD 28/2021 &	1984, filed by P.M. Diesels for		
connected matters]	'FIELDMARSHAL' mark in Class 7 in		
	different languages. These marks were		
	rejected by the Registrar of Trademarks vide		
	order dated 12 <sup>th</sup> August, 1992 as also by the		
	IPAB vide order dated 11 <sup>th</sup> February, 2005.		
	The said impugned orders are set aside. The		
	trademark applications of P.M Diesels shall		
	proceed for registration.		
	Let the registration certificates be granted		
	within one month of the date of the present		
	judgment.		

## Actual Costs

157. The battle between P.M. Diesels and Thukral Mechanical Works has been a long-drawn battle spanning over 40 years. Substantial costs have been incurred by P.M. Diesels to protect the mark 'FIELDMARSHAL' and to defend itself against the various proceedings filed by Thukral Mechanical





Works. This litigation has not only imposed substantial financial burden on P.M. Diesels in its efforts to protect the 'FIELDMARSHAL' mark but has also engaged this Court's resources considerably. More than 20 hearings at the final arguments stage have been spent by this Court to resolve the complex set of issues arising between the parties.

158. Thus, in terms of the judgement of the Supreme Court in *Uflex Ltd. v. Government of Tamil Nadu, (2021 INSC 492)* in commercial matters, actual costs ought to be awarded in favour P.M. Diesels.

159. Accordingly, a decree for actual costs is passed. The taxation officer shall quantify the costs. Let the bill of costs in terms of the Commercial Courts Act, 2015 and Delhi High Court (Original Side) Rules, 2018 read with IPD Rules, be filed within four weeks.

160. Let a copy of this judgment be served upon CGPDTM for compliance. Copy of this judgement be communicated at <u>llc-ipo@gov.in</u>.

161. Let the decree sheet be drawn up in the above terms. The present matters are disposed of. All pending applications, if any, stand disposed of.

PRATHIBA M. SINGH, J.

APRIL 02, 2024 Mr/dk/dj/Rahul/dn