




HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

S.B. Civil First Appeal No. 283/2016

M/s. Dhanvarsha Oil Mills Pvt. Ltd., F-157-159, Industrial Area,
Kekri, Dist-Ajmer Raj. Through Director Vinod Mittal

----Appellant-Defendant

Versus

M/s. Hari Industries (Hari Oil Mill), Mal Godam Road, Bharatpur
(Raj.) Through Partner/Manager/Authorized Signatory

----Respondent-Plaintiff

For Appellant(s) : Mr. Rishabh Bansal with
Mr. Aman Goyal

For Respondent(s) : Ms. Gayatri Rathore, Sr. Adv. assisted
by Ms. Neha Gupta
Mr. Raj Singh Rathore
Mr. Vishal Chauhan

HON'BLE MR. JUSTICE SAMEER JAIN

Judgment

| | | |
|---|--|---------------|
| 1 | Arguments concluded on | 09.04.2026 |
| 2 | Judgment reserved on | 09.04.2026 |
| 3 | Full judgment or operative part pronounced | Full Judgment |
| 4 | Pronounced on | 19/05/2026 |

REPORTABLE

In S.B. Civil Misc. Application No. 01/2023

1. The instant application has been moved under the provisions of Order XLI Rule 27 of CPC for placing additional documents on record, by the non-appellant/applicant.

2. In compliance with the directions laid down in the ratio of **Iqbal Ahmed (Dead) through LRs vs. Abdul Shukoor**, reported in **2025 INSC 1027**, and with the consent of learned counsel for the respective parties, the application has been taken



up for consideration and is being decided prior to entering into the merits of the case.

3. Upon a perusal of the material available on record and having heard the submissions advanced by the learned counsel appearing for and on behalf of the respective parties, this Court is not inclined to allow the said application, and permit placing of additional documents on record, at this stage, for the reasons noted ad infra:

3.1 That the instant application has been moved in the year 2023 and the instant appeal was admitted way back in the year 2016.

3.2 That Order XLI, Rule 27 of the Civil Procedure Code establishes that parties cannot introduce new evidence in an appellate court as a matter of right; and it is only upon the discretion of the Court to accept additional oral or documentary evidence or not. The exceptions to this rule are that the lower Court has arbitrarily refused to take the documents, as pleaded, to be taken on record; that the evidence was not discoverable earlier; that the appellate Court itself requires the evidence, to enable to pronounce the judgment, or for "any other substantial cause".

3.3 That as per the ratio encapsulated in the judgment of **Uttaradi Mutt vs. Raghavendra Swamy Mutt** reported in **(2018) 10 SCC 484**, the prayer in application and the reasons stated in the memo therein, do not fall under the ambit of 'special cases' whereby the said plea could be considered.

4. Accordingly, the instant application is **dismissed in limine**.



**In S.B. Civil First Appeal No. 283/2016:**

5. The present appeal has been preferred under Section 96 read with Order XLI of the Code of Civil Procedure, 1908, by the defendant-appellant assailing the judgment and decree dated 12.05.2016 passed by the learned Additional District Judge No. 1, Bharatpur in Civil Suit No. 09/2009, whereby and whereunder the suit for permanent injunction filed by the respondent-plaintiff under the provisions of the Trade Marks Act, 1999 (hereinafter referred to as 'the Act of 1999') has been decreed against the defendant.

6. It is undisputed fact on record that the first appeal has been admitted for hearing and during the course of hearing, execution and implementation of the impugned final judgment and order dated 12.05.2016 has been stayed vide order dated 05.10.2016; and that the respondent-plaintiff moved an application dated 25.08.2020 seeking vacation of the stay order dated 05.10.2016, stating inter alia, that in that year itself, the appellant has started 'red color' new packaging for its brand of edible mustard oil, just to confuse the customers, being identical with the logo of the respondent-plaintiff-company.

7. Learned counsel for the appellant-defendant submitted that the civil suit was instituted by the plaintiff under Sections 27 and 134 of the Act of 1999 seeking reliefs of permanent injunction, damages, rendition of accounts, and for restraining infringement and passing off in respect of the trade mark "ENGINE", depicted through the device of a coal-based steam rail engine.





8. The brief facts, as set out by the plaintiff (non-appellant), before the learned Trial Court were that:

8.1 The plaintiff is a registered partnership firm engaged in the business of manufacturing and selling edible oil under the trade mark "ENGINE BRAND". It was asserted that the plaintiff is the registered proprietor of the trade mark "ENGINE BRAND" in respect of manufacturing and marketing of mustard oil, fats, preserves, pickles, dray and cook vegetables gel, gem, eggs, milk and other dairy products, by virtue of registration numbers attained on 23.11.1959, 03.06.1988, and 07.03.1994, which have been duly renewed from time to time.

8.2 The plaintiff has also obtained registration under the Copyright Act on 18.02.1997, qua its artistic work of trade mark "ENGINE" (steam, engine of rail). The plaintiff claims continuous use of the said trade mark since the year 1957 across India and asserts exclusive rights over the use of the trade mark "ENGINE" under the Act of 1999.

8.3 The cause of action for filing the suit is stated to have arisen when the appellant-defendant commenced a similar business under the trade mark "METRO ENGINE", which, according to the plaintiff, is deceptively similar and likely to cause confusion and deception among the general public.

8.4 That upon gaining knowledge of the appellant-defendant's activities, the non-appellant-plaintiff lodged a complaint before the AGMARK Authorities on 12.11.2008, pursuant to which action was taken against the defendant's license





on 18.12.2008. Thereafter, the suit in question came to be instituted before the District Court, Bharatpur.

9. In this backdrop, learned counsel appearing on behalf of the appellant-defendant stoutly submitted that the appellant herein is a registered company under the Indian Companies Act, 1956, dealing with manufacturing and sale of good, high quality products; and that an application for registration of the trade mark "ENGINE" (Electricity Engine) had already been filed before the Registrar of Trade Marks and the same was pending at the time when the suit in question was *subjudice*. It was further contended that the complaint filed by the plaintiff before the AGMARK Authorities was not in accordance with law and had been challenged before the appellate court, where the matter, at that time, remained pending for adjudication.

10. It was further argued that the defendant's trade mark "METRO ENGINE" is entirely distinct from the plaintiff's trade mark "ENGINE", both visually and conceptually, and that the artistic works involved are also dissimilar, thereby negating any likelihood of confusion or deception among the public. Learned counsel had further contended that the defendant had its complete address qua the manufacturing unit at Kekri, and the same is prominently displayed on its product packaging, which is geographically distinct from the plaintiff's manufacturing unit at Bharatpur, thereby ruling out any possibility of confusion. It was also submitted that the defendant's trade mark and artistic features are easily distinguishable by literate, semi-literate, and even





illiterate consumers. Accordingly, all claims of the plaintiff were denied *in toto*, before the learned Trial Court also.

11. It was apprised to the Court that on basis of the pleadings, made by the parties, the learned trial court framed the following issues:

3. उभयपक्षों के अभिवचनों के आधार पर निम्नलिखित विवाद्यक बिन्दु कायम किये गये:-

1-क्या वादी ट्रेडमार्क "इंजन" (गोल घेरे में धुआ छोड़ता स्टीम रेलवे इंजन) के एकमात्र रजिस्टर्ड प्रोपराईटर, स्वामी एवं उपयोगकर्ता है? (वादी)

2-क्या प्रतिवादी द्वारा वादी के इंजन ट्रेडमार्क से मिलता जुलता मेट्रो इंजन के नाम से 15 किलो का सरसों तेल का पैकिंग का उत्पादन एवं विक्रय आम पब्लिक में संदिग्धता पैदा करने की नियम से वादी को धोखा देकर उत्पादन एवं विक्रय करना प्रारंभ कर दिया? (वादी)

3-अनुतोष ?

12. Further, the timeline of litigation and proceedings before the learned Trial Court was apprised to this Court, stating that in support of its case, the non-appellant-plaintiff presented two witnesses, namely PW-1 Manu Agarwal and PW-2 Raj Kumar Mathur, and produced eighteen documents on record; and alongside the defendant examined DW-1 Vinod Kumar Mittal and also placed certain documents on record. Thus, upon appreciation of the evidence and after hearing arguments from both sides, the learned Trial Court passed the impugned judgment and decree dated 12.05.2016 (Annexure-1), whereby the appellant-defendant was restrained from using the trade mark "METRO ENGINE". The relevant portion of the impugned judgment and decree reads as under:





" विवाद्यक बिन्दु संख्या-3 अनुतोष

10- विवाद्यक बिन्दु संख्या-1 व 2 वादी के पक्ष में निर्णीत किये गये है ऐसी स्थिति में वादी द्वारा प्रस्तुत वाद विरुद्ध प्रतिवादी बाबत स्थाई निषेधाज्ञा डिक्री किये जाने योग्य है।

आदेश

“वादी द्वारा प्रस्तुत वाद विरुद्ध प्रतिवादी बाबत स्थाई निषेधाज्ञा डिक्री किया जाकर प्रतिवादी को इस हद तक जरिये स्थाई निषेधाज्ञा पाबंद किया जाता है कि प्रतिवादी, वादी के स्वामित्व एवं आधिपत्य के रजिस्टर्ड ट्रेडमार्क वाले इंजन सरसों तेल के उत्पादित एवं विक्रय किये जाने वाले एक, दो, पांच एवं 15 किलो पैकिंग के इससे मिलते जुलते मेट्रो इंजन एवं इससे मिलते जुलते ट्रेडमार्क के किसी पैकिंग में सरसों तेल का उत्पादन एवं विक्रय न करें, किसी को बेचने का अनुबन्ध न करें तथा विज्ञापन एवं ट्रेड न करें और ऐसा कोई कार्य न करें जिससे वादी द्वारा उत्पादित एवं विक्रित रजिस्टर्ड ट्रेड मार्क इंजन के उपयोग एवं उपभोग में बाधा उत्पन्न हो या उसके ट्रेडमार्क अधिनियम के तहत प्रदत्त अधिकारों पर विपरीत असर पड़े। पक्षकारान खर्चा मुकदमा अपना-अपना स्वयं वहन करेंगे। आदेशानुसार डिक्री पर्चा जारी हो।”

13. It was further contended that as the applications for vacation of stay order dated 05.10.2026, were moved and the same remained pending, while the appeal awaited final hearing, the non-appellant preferred a Special Leave Petition against the order dated 05.10.2016. However, by order dated 26.04.2024, the Hon'ble Supreme Court declined to interfere with the stay order on account of delay, while granting liberty to the non-appellant to move an application for vacation or modification of the stay order. Pursuant to the liberty so granted, an application was filed on 03.05.2024 seeking vacation of the stay. It was thereafter observed by a Coordinate Bench of this Court on 10.02.2025 that, subsequent to the interim order, the appellant-defendant had





misused the benefit of the stay and had begun imitating the red and yellow color scheme on the packaging of mustard oil in a manner that was deceptively and substantially similar to that of the plaintiff's product. Howsoever, despite the aforesaid facts being specifically denied and controverted by the appellant-defendant; the interim protection order dated 05.10.2016 came to be modified in the following terms vide order dated 10.02.2025:

"16. Accordingly, the application (IA No.2/2024) is hereby disposed of, by varying stay order dated 05.10.2016 in following terms:

(i). The stay order dated 05.10.2016, staying the execution & implementation of judgment and decree dated 12.05.2016, shall remain continue to operate, but to the limited extent of staying the decree, restraining the appellant-defendant from using the deceptively similar trade-mark of "ENGINE" mustard oil, which is registered brand and trade-name of respondent-plaintiff, it means the respondent-plaintiff would be at liberty to use trade-name "Metro ENGINE" to manufacture and sell the mustard oil. But;

(ii). Until decision of the present first appeal, appellant- defendant shall not use red, yellow and other similar colour themes, on the packaging/ pouches of its brand of mustard oil i.e. "Metro ENGINE", which colours are being used by the respondent-plaintiff in packaging/ pouches of mustard oil of its brand i.e. "ENGINE"."

14. It was submitted that vide the said interim relief modification order, directions were also issued for the expeditious and final disposal of the present appeal.

15. Consecutively, the non-appellant/plaintiff moved an application under Order XLI Rule 27 CPC seeking permission to adduce additional evidence in the form of invoices and other supporting documents. The said application was vehemently





opposed by the appellant–defendant, as by placing reliance upon the ratio passed by the Hon’ble Supreme Court in **Uttaradi Mutt vs. Raghavendra Swamy Mutt**, reported in **(2018) 10 SCC 484**. It was contended therebefore that the application was nothing but an attempt to fill up lacunae in the plaintiff’s case at the appellate stage and to improve upon deficiencies in evidence which existed before the Trial Court. It was further submitted that the power to allow additional evidence under Order XLI Rule 27 CPC is an exception and not the rule, and can be exercised only in limited circumstances, namely where the learned Trial Court has wrongly refused to admit evidence, or where despite due diligence, such evidence could not have been produced at the stage of trial; and the present case did not fall within any of the recognized parameters warranting the exercise of such discretion.

16. Learned counsel for the appellant–defendant further contended that the plaintiff had failed to discharge the burden of proof as required under law, as it was incumbent upon the plaintiff to establish its *locus standi*, prior use, proprietorship of the trade mark, and the likelihood of deception or confusion. However, no cogent documentary evidence, such as invoices, sales records, advertisements, or books of accounts was produced before the Trial Court to substantiate continuous or prior use of the trade mark. Therefore, the findings recorded by the learned Trial Court were based on presumptions and assumptions in the absence of legally admissible and reliable evidence, rendering the impugned judgment and decree unsustainable in law.





17. It was further submitted that the learned Trial Court failed to take into due consideration the categorical admissions made by PW-1 during the course of his cross-examination, which go to the root of the matter. The relevant portion of the cross-examination is reproduced as under:

‘पैरा संख्या 3 में वर्णित उत्पादों के निर्माण एवं विक्रय के समर्थन में कोई बिल या दस्तावेज प्रस्तुत नहीं किये हैं।’

18. Whilst placing reliance upon the aforesaid admission, it was contended that the plaintiff had failed to produce any documentary evidence in support of the alleged manufacture and sale of the goods in question, thereby failing to establish actual commercial use of the trade mark. It was further argued that the plaintiff had not been able to prove the actual use of the alleged trade mark and label. In this regard, whilst placing reliance upon the documents annexed it was pointed out that Exhibits 5 and 6 do not disclose any particulars relating to user and, in fact, specifically state that the said certificates are not meant for use in legal proceedings. This aspect also stands admitted by PW-1 in his cross-examination, which reads as under:

‘‘यह बात सही है कि प्रदर्श-5 पर के निचले हिस्से में ए से बी भाग पर यह लिखा है कि यह प्रमाण पत्र विधिक कार्यवाही के लिए उपयुक्त नहीं है। प्रदर्श-6 पर ए से बी मार्क यह अंकित है कि यह प्रमाण पत्र विधिक कार्यवाहियों में प्रयोग के लिए अभिप्राप्त नहीं हैं।’

19. Thus, drawing attention of this Court, upon the impugned findings and rationale articulated qua the same, it was contended that the learned Trial Court committed a manifest error in treating the date of filing of the trade mark application as the date of user,





in the absence of any cogent or supporting evidence to that effect, as no legal proceedings certificate under Section 137 of the Act of 1999 was produced for registration number 139425 and the only certificate which was placed on record was qua registration number 621570, which is merely a word mark "ENGINE" and does not establish use of the claimed label. The relevant finding recorded by the Trial Court is reproduced hereinbelow:



“वादी द्वारा प्रस्तुत ट्रेडमार्क पंजीयन संख्या 193425 दिनांक 23.11.1959 से इंजन मार्का सरसों का तेल उत्पादन एवं विक्रय करना प्रतीत होता है इस प्रकार वादी द्वारा 1959 से अपने ट्रेडमार्क इंजन ब्राण्ड सरसो का तेल उत्पादन एवं विक्रय करना पाया जाता है तथा वादी के इतने पुराने व्यवसाय पर मिलते जुलते ब्राण्ड नाम का निश्चित रूप से कुप्रभाव पड़ना पाया जाता है। वादी द्वारा प्रतिवादी को नोटिस दिये जाने के पश्चात भी प्रतिवादी ने अपना उत्पादन एवं विक्रय चालू रखा तथा एगमार्क विद्धो करने के पश्चात भी प्रतिवादी सरसो तेल बनाते रहे। प्रतिवादी द्वारा ऐसा कोई दस्तावेज न्यायालय के समक्ष प्रस्तुत नहीं किया है कि वादी फर्म बंद हो गई हो और 5 वर्ष से अधिक समय से वादी फर्म सरसों तेल का निर्माण, विक्रय एवं पैकिंग नहीं करने से उसका एगमार्क से एकाधिकार समाप्त हो गया हो ऐसी स्थिति में प्रतिवादी के विद्वान अधिवक्ता द्वारा इस संबंध में बहस में उठाये गये तर्क में कोई बल रहना नहीं पाया जाता है।”

20. On the strength of the submissions made insofar, it was urged that the findings of the Trial Court are legally unsustainable, as they proceed on presumptions rather than on proof of actual user. It was further submitted that it is a settled principle of trade mark law that mere registration of a trade mark does not, by itself, confer an enforceable right in the absence of proof of actual use. The burden to establish prior and continuous use squarely lies upon the party asserting such right, which, in the present



case, the plaintiff has failed to discharge. In support of the submissions made insofar, learned counsel had placed reliance upon a catena of judgments, inter alia, **Century Traders vs. Roshan Lal Duggar & Co.** reported in **1977 SCC OnLine Del 50**, **Corn Products Refining Co. Vs. Shangrila Food Products Ltd.** reported in **1960 SC 142**, **Santosh Devi Vs. Ramesh Kumar** reported in **2006 SCC OnLine Raj 1169**, **Smithkline Beecham Plc. Vs. Sunil Sarmalkar** reported in **2012 SCC OnLine Del 5223**, **Cluett Peabody & Co. Inc. Vs. Arrow Apparels** reported in **1997 SCC OnLine Bom 574**, **Veerumal Praveen Kumar Vs. Needle Industries (India) Ltd.** reported in **2001 SCC OnLine Del 892**, **Malar Network (P) Ltd. Vs. Arun Prasath D** reported in **2011 SCC OnLine Mad 472**, and **Marc Enterprises (P) Ltd. Vs. Five Star Electricals (India)** reported in **2008 SCC OnLine Del 310**.

21. It was next contended that the non-appellant-plaintiff lacks *locus standi* to institute and maintain the suit in question, and the said fact was also left unaddressed by the learned Trial Court. It was submitted that the suit was filed by one Mr. Kedarnath Agarwal, claiming himself to be a partner of the plaintiff firm; however, he neither entered the witness box nor led any evidence in support of the plaintiff's case. Instead, one Manu Agarwal appeared as PW-1, claiming himself to be a partner as well as an authorized representative of the firm. It was argued that no documentary evidence, such as a partnership deed or any authorization, has been placed on record to substantiate either his





status as a partner or his authority to depose on behalf of the firm. Thus, as per the dictum enunciated in **Janki Vashdeo Bhojwani vs. Industrial Bank Ltd., reported in (2005) 2 SCC 217**, it is settled that a person who has no personal knowledge of the facts of the case and whose authority is not duly established cannot depose in place of the principal. The relevant portion of the cross-examination in this regard reads as under:

“मैं इस फर्म का पार्टनर हूँ। यह बात सही है कि मैंने न्यायालय के सम भागीदारी प्रपत्र पेश नहीं किया गया है। यह बात सही है कि मुझे अन्य भागदारों ने न्यायालय में गवाही देने के लिए अधिकृत किया है। यह बात सही है कि मैं न्यायालय में गवाही अन्य भागीदारी के कहने पर देने आया हूँ।”

“प्रदर्श-5 पर सी से डी हरीचरण, द्वारिका, पूरन केदारनाथ वर्तमान में हमारी फर्म में भागीदार नहीं है क्योंकि इनमें से तीन भागीदार हरीचरण केदारनाथ व द्वारिका का स्वर्गवास हो चुका है। प्रदर्श-6 पर अंकित भी हमारी फर्म में भागीदार नहीं है उनका स्वर्गवास हो चुका है।”

22. Learned counsel had further placed reliance upon Sections 6 and 68(2) of the Indian Partnership Act, 1932, and to fortify the aforesaid submissions, it was contended that, in the absence of any legally admissible evidence establishing the existence of a valid partnership, no person could legitimately claim the status of a partner or institute proceedings on behalf of the firm. It was argued that the plaintiff failed to substantiate its constitution and legal status by producing essential documentary evidence, such as a duly executed partnership deed or entries from the Register of Firms. It was further submitted that the learned Trial Court fell into error in treating the rival labels as deceptively similar so as to





constitute infringement. It was urged that a bare comparison of the two labels would reveal clear and distinguishable features, negating any likelihood of confusion or deception.

23. In this context, it was specifically emphasized that both PW-1 and PW-2, in the course of their cross-examination, have admitted that the respective labels are distinguishable and capable of differentiation. Such categorical admissions, demolish the foundation of the plaintiff's case regarding deceptive similarity. The relevant extracts from the cross-examination are reproduced hereunder:

“यह बात सही है कि प्रदर्श-7 पर संलग्न लेबिलों पर वादी तथा प्रतिवादी के पते पूर्णतया भिन्न भिन्न अंकित हैं”

“रेल के कई प्रकार के इंजन होते हैं बिजली का कोयले का स्टीम का। में इन तीनों इंजनों की फोटो ग्राफ देखकर पहिचान सकता हूं कि किस प्रकार का इंजन है। प्रदर्श-7 पर स्टीम इंजन है। प्रदर्श-8,9 पर इलेक्ट्रीकल इंजन है। यह बात सही है कि प्रदर्श-संख्या 8,9 पीले कलर में बने हैं। प्रदर्श-7 लाल रंग से बना है।”

“मेट्रो इंजन से चलने वाली ट्रेन व धुआं से चलने वाली ट्रेन को पहिचान सकता हूं। दोनों में अन्तर भी कर सकता हूं”

24. It was lastly contended that the reliance placed by the learned Trial Court upon Section 31 of the Trade Marks Act, 1999 is misconceived. It was submitted that registration of a trade mark merely constitutes *prima facie* evidence of validity and does not amount to conclusive proof of the proprietor's exclusive rights, and that in the absence of any cogent evidence establishing the plaintiff as a prior or concurrent user of the trade mark, the registration itself remains open to challenge, particularly on the


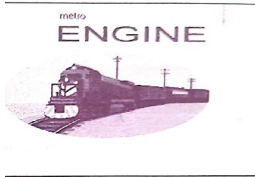




ground of non-use. In such circumstances, the statutory presumption attached to registration stands rebuttable.

25. In support of the aforesaid proposition, reliance was placed upon the ratio encapsulated in **Man Mohan Sharma vs. Manjit Singh**, reported in **2016 SCC OnLine P&H 19412**, read in conjunction with Section 28(2) of the Act of 1999, to contend that rights conferred by registration are subject to limitations, especially where issues of prior use and concurrent rights arise.

26. *Per contra*, learned counsel appearing on behalf of the non-appellant/plaintiff vehemently opposing the submissions made by the learned counsel appearing for the appellant placed reliance upon the registered trade mark of the plaintiff and the words forming part thereof, which are reproduced hereinbelow:

| Respondent/Plaintiff trade mark & word | Registered | Appellant/Defendant word and mark | Impugned |
|---|------------|--|----------|
| ENGINE | | Metro Engine | |
|  | |  | |

27. *Per contra*, learned counsel appearing on behalf of the non-appellant/plaintiff submitted that the learned Trial Court had framed only three issues, and the appellant is now seeking to introduce entirely new grounds and issues at the appellate stage, which is impermissible in law.

28. It was contended that the findings of the learned Trial Court are firmly rooted in the statutory framework of the Trade Marks Act, 1999. In this regard, reliance was placed upon Sections 2(h)





and 2(zb), which define “deceptively similar” and “trade mark” respectively; Section 28, which confers exclusive rights upon a registered proprietor; Section 29, which deals with infringement of trademarks; and Section 31, which provides that registration is *prima facie* evidence of validity. It was further submitted that the learned Trial Court, while adjudicating upon the issue of ownership and rights in the trade mark, has rightly placed reliance upon Section 31 and has held that the registration of the trade mark constitutes conclusive proof, insofar as the plaintiff’s ownership and exclusive rights are concerned.

29. Learned counsel further argued that the registration documents produced by the plaintiff constitute unimpeachable evidence of its rights in the trade mark, and clearly establish infringement on the part of the defendant. It was submitted that the learned Trial Court, upon a comparison of the competing packaging, has recorded a categorical finding that the marks “ENGINE” and “METRO ENGINE” are deceptively similar. It was further observed by the learned Trial Court that the overall trade dress, color scheme, and presentation of the defendant’s product bear substantial resemblance to that of the plaintiff, thereby indicating an intention to deceive. The Court also took note of the design similarity between the two marks, observing that although there exists a minor variation, namely, a steam engine in the plaintiff’s mark as against an electric locomotive in the defendant’s mark, thus, opining that the overall impression remains confusingly similar and is likely to mislead consumers of average intelligence and imperfect recollection.





30. With respect to the AG-MARK certification, it was submitted that the learned Trial Court has recorded a finding that the suspension of the defendant's certification was valid, and that the defendant failed to place on record any material to demonstrate that such suspension had ever been revoked or set aside. Insofar as documentary evidence is concerned, the defendant has failed to produce any credible material to substantiate its claim regarding restoration of AG-MARK certification. The learned Trial Court has, therefore, rightly drawn an adverse inference against the defendant.

31. It was further submitted that the findings of the learned Trial Court clearly establish that the conduct of the appellant-defendant was not bona fide and reflected a deliberate intention to infringe upon the plaintiff's trade mark and goodwill. In light of the aforesaid findings, it was contended that the decree of permanent injunction has been rightly granted, whereby the defendant has been restrained from manufacturing, selling, advertising, or dealing in mustard oil under the trade mark "METRO ENGINE" or any other mark deceptively similar to the plaintiff's trade mark "ENGINE".

32. In summation of the aforesaid submissions, it was contended that the plaintiff has been continuously using its registered trade mark "ENGINE" since the year 1959, whereas the defendant has failed to disclose or establish any specific date of commencement of use of the impugned mark "METRO ENGINE". It was pointed out that this aspect has been specifically considered and dealt with by the learned Trial Court in paragraph 8 of the impugned judgment.





It was further submitted that the defendant's impugned mark is not registered with the Trade Marks Registry, whereas the plaintiff's trade mark "ENGINE" stands duly registered in Class 29, thereby entitling it to a higher degree of protection under the law.

Thus, it can be concluded that by virtue of Section 28 of the Trade Marks Act, 1999, the plaintiff is the exclusive proprietor and user of the said trade mark, whether used independently or in conjunction with its logo.

33. It was also contended that the defendant, with a mala fide intention to encash upon and ride over the goodwill and reputation of the plaintiff, has adopted a deceptively similar trade mark and trade dress so as to mislead consumers and pass off its goods as those of the plaintiff, thereby causing confusion in the market and trade channels.

34. In support of the contentions made insofar, learned counsel has placed reliance upon a catena of judgments, inter alia, **Hamdard National Foundation (India) & Anr. V. Sadar Laboratories Pvt. Ltd. (2022) SCC OnLine Del 4523, Shree Nath Heritage Liquor Pvt. Ltd. V. Allied Blender & Distillers Pvt. Ltd. (2015 SCC Online Del 10164: (2015) 221 DLT 359: (2015) 63 PTC 551), Renaissance Hotel Holdings Inc. V. B. Vijava Sai And Others (2022) 5 SCC 1, Parle Products (P) LTD vs J.P. AND CO., Mysore (1972) 1 SCC 618.**

35. Having considered the rival submissions advanced by learned counsel for the parties, this Court has cautiously perused the material available on record, examined the pleadings, scrutinized





the oral and documentary evidence, and duly considered the judgments cited at the Bar. Upon such comprehensive consideration, the following aspects emerge for determination and adjudication:

36. At the outset, it is noticed that the non-appellant/plaintiff claims to be a partnership firm; however, no partnership deed has been produced on record to substantiate its constitution, the identity of its partners, or their authority to institute the suit. Nonetheless, there is an averment in the pleadings before the learned Trial inasmuch as that Shri Manu Agarwal claimed in the year 2015 that he was authorized by other partners, whereas PW-2 i.e. Shri Raj Kumar Mathur stated that Shri Kedarnath Agarwal expired in the year 2010 (noted in para no.2 of the statements of PW-2 – Examination-In-Chief), thus, the learned Court below appears to have accepted the existence of the partnership firm and the status of its partners primarily on the basis of Exhibit No. 16. In the considered opinion of this Court, such recognition, in the absence of the foundational document i.e., the partnership deed, is legally unsustainable, particularly when the issue of locus *standi* was specifically raised. To attain more authority on this stance, this Court deems it appropriate to place reliance upon the ratio encapsulated in **Corpn. Of City of Bangalore v. Zulekha Bi: (2008) 11 SCC 306, Allahabad Bank v. S.M. Engineering Industries: 1992 SCC OnLine Cal 21; and Janki Vashdeo Bhojwani (supra)**, relevant extract of which is reproduced hereinbeow:





"**10.** The second fallacy of the order of Tribunal was allowing Mr. V.R.Bhojwani (power of attorney holder), husband of appellant no. 2 Ms.Mohini Laxmikant Bhojwani, to appear in the witness box on behalf of the appellants. It may be noted that that the appellants were shy away from gracing the box. The respondent-bank vehemently objected to allowing the holder of power of attorney of the appellants to appear in the witness box on behalf of the appellants. **This Court clarified that the burden of proving that the appellants have a share in the property will be on the appellants and it was incumbent on the appellants to have graced the box and discharged the burden that they have a share in the property, the extent of share, the independent source of income from which they have contributed towards the purchase of the property.** The entire context of the order dated 10.2.2004 was forwarded to the Tribunal for the purpose. It is unfortunate that the Tribunal has framed its own issues not consistent with the directions and recorded a finding contrary to the directions as aforesaid.

11. xxx

12. In the context of the directions given by this Court, shifting the burden of proving on the appellants that they have a share in the property, it was obligatory on the appellants to have entered the box and discharged the burden by themselves. The question whether the appellants have any independent source of income and have contributed towards the purchase of the property from their own independent income can be only answered by the appellants themselves and not by a mere holder of power of attorney from them. **The power of attorney holder does not have the personal knowledge of the matter of the appellants and therefore he can neither depose on his personal knowledge nor can he be cross-examined on those facts which are to the personal knowledge of the principal.**

13. xxx

14. xxx

15. xxx

16. On the question of power of attorney, the High Courts have divergent views. **In the case of**





Shambhu Dutt Shastri v. State of Rajasthan, 1986 2 WLL 713 it was held that a general power of attorney holder can appear, plead and act on behalf of the party but he cannot become a witness on behalf of the party. He can only appear in his own capacity. No one can delegate the power to appear in witness box on behalf of himself. To appear in a witness box is altogether a different act. A general power of attorney holder cannot be allowed to appear as a witness on behalf of the plaintiff in the capacity of the plaintiff.

(Emphasis laid)

37. Further, the plaintiff has asserted continuous use of the trade mark "ENGINE" since the year 1959 in respect of edible oil. However, significantly, no cogent documentary evidence has been produced to substantiate such long, continuous, and prior use. The record is conspicuously silent as regards essential supporting documents such as manufacturing licenses, statutory approvals, sales invoices, account books, advertisements, or any contemporaneous commercial material demonstrating actual use of the trade mark in the course of trade. The absence of such evidence assumes greater significance in matters relating to trade mark infringement and passing off, where prior use and reputation constitute the bedrock of the claim.

38. In this context, the reliance placed by the learned Trial Court on Section 31 of the Trade Marks Act, 1999, treating registration as conclusive proof of validity and ownership, appears to be misplaced. The presumption under Section 31 is, by its very nature, rebuttable. The testimonies of PW-1 (Manu Agarwal) and PW-2 (Raj Kumar Mathur), when read in conjunction with the absence of supporting documents, lend credence to the contention





of the appellant/defendant that such presumption stood effectively rebutted. Notably, PW-1 has admitted that certain exhibits (Exhibit 5-6, being trade mark labels) are not usable for legal purposes, and both witnesses have acknowledged the lack of documentary proof such as bills, vouchers, or advertisements. To draw more authority, reliance can be placed upon the ratio encapsulated in **Man Mohan Sharma (supra)**; relevant extract of which is reproduced hereinbelow:

"77. Having said that, there is another facet to Section 34, which is required to be addressed; right of usage of a mark by a prior user is saved not only if his user commenced earlier in time than the registered proprietor but it also preceded the date of registration of the mark. What needs to be noticed is that plaintiffs trade mark was registered on 04.02.2011, relating back to the date of his application i.e. 10.10.2008. Therefore, the question that arises for consideration is : Whether registration of a mark by itself from a prior date, in the absence of any proof of its actual usage, shall prevail upon the prior and actual user of a trade mark? Ex facie, the purport and intent of the provision is to protect a prior user of a mark from any interference in his right of usage by the registered proprietor. The first in the market test has always enjoyed pre-eminence. Rather Section 47 of the Act postulates the possibility of registered trade mark being taken off the register, if needed there was no actual use of the mark for a period of five years and three months from the date of its registration."

(Emphasis laid)

39. Moreover, it is pertinent to observe that the plaintiff itself sought to cure these deficiencies by filing an application under Order XLI Rule 27 CPC at the appellate stage, thereby implicitly admitting that crucial evidence had not been produced before the





Trial Court. This conduct further weakens the evidentiary foundation of the plaintiff's case. Equally concerning is the manner in which the burden of proof appears to have been shifted by the learned Trial Court onto the defendant. The objection regarding non-challenge to the interlocutory order under Order I Rule 10 of CPC also appears to be misconceived, as such an order is not appealable under Section 104 read with Order XLIII. Thus, in the absence of primary evidence establishing prior use, goodwill, and reputation by the plaintiff, the onus could not have been shifted onto the defendant to disprove infringement. The essential ingredients of infringement and passing off, such as deceptive similarity, likelihood of confusion, and misrepresentation, ought to have been established through clear, cogent, and convincing evidence, which is lacking in the present case.

40. Additionally, this Court finds that the findings recorded by the learned Trial Court on the aspect of deceptive similarity are not supported by adequate reasoning. While it has been observed that the defendant's mark "METRO ENGINE" and the plaintiff's mark "ENGINE" are similar, there is no detailed analysis as to how the essential features are deceptively similar so as to cause confusion among an average consumer of ordinary intelligence and imperfect recollection. The distinction noted in the marks such as "METRO ENGINE" vis-a-vis "ENGINE" and the differences in design elements (steam engine versus electric locomotive), has not been meaningfully evaluated. The conclusion regarding deceptive similarity, therefore, appears to be cursory rather than reasoned. It is also noteworthy that disputes pertaining to





intellectual property rights, particularly trade mark infringement, have both statutory and common law dimensions and require adjudication on the basis of comprehensive evidence. In the present case, the absence of critical documents on both sides has resulted in an incomplete factual matrix, thereby rendering the findings of the Trial Court vulnerable.

41. In light of the aforesaid deficiencies, namely,

- (i) absence of partnership deed and consequent doubt on *locus standi*,
- (ii) lack of documentary evidence establishing continuous use since 1959,
- (iii) erroneous application of presumption under Section 31 of the Trade Marks Act,
- (iv) improper shifting of burden of proof, and
- (v) lack of reasoned findings on deceptive similarity,

This Court is of the considered view that the impugned judgment and decree dated 12.05.2016 cannot be sustained.

42. Accordingly, the impugned judgment and decree dated 12.05.2016 is quashed and set aside. The matter is remanded to the learned Trial Court, concerned, for fresh adjudication on a *de novo* basis. The learned Court below is expected to dispose of the suit expeditiously, preferably within a period of one year from the date of receipt of a certified copy of this judgment.

43. Liberty is granted to both parties to adduce additional evidence, including but not limited to partnership documents, licenses, invoices, account books, advertisements, and any other





relevant material, so as to enable the Court to adjudicate the dispute in its correct factual and legal perspective.

44. Till such adjudication, it is directed that status *quo* as existing on the date of pronouncement of this judgment shall be maintained by the parties.

45. In view of the above, the instant Civil First Appeal stands disposed of and the impugned judgment and decree dated 12.05.2016 is quashed and set aside, leaving the parties to bear their own costs. Stay application as well as all pending application(s), if any, also stand disposed of.

46. Needless to observe, the findings recorded by this Court are only for the purpose of the disposal of the present appeal and the application under Order XLI Rule 27 CPC. It is made clear that by way of passing the judgment, this Court has not expressed any opinion on the merits of the matter. The Trial Court will decide the main suit on the basis of the evidence led by both the sides, without being influenced by the observations made by this Court.

47. Registrar (Judicial) is directed to send a copy of this judgment by mail/fax to the concerned Trial Court, for compliance.

(SAMEER JAIN),J

JKP/1