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

+ **CS (COMM) 346/2018 & I.A. 3177/2007**

AKTIEBOLAGET VOLVO & ORS.Plaintiffs

Through: Mr. Anirudh Bakhru, Mr. Pravin Anand, Ms. Vaishali Mittal, Mr. Siddhant Chamola, Mr. Karan Kamra, Advocates
(M:7838189329)

versus

R. VENKATACHALAM AND ANRDefendants

Through: Mr. R. Siva Kumar, Mr. B. Rangunath, Advocates (M:9818521071)
Email: kavirangunath@gmail.com

**CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA**

**JUDGMENT
20.01.2025**

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MINI PUSHKARNA, J:

1. The present suit has been filed seeking a decree of permanent injunction restraining infringement of registered trademark, passing off, dilution of trademark unfair competition, damages, delivery up, etc.

Facts of the Case:

2. The case, as canvassed by the plaintiffs, is as under:

2.1. The plaintiff nos. 1 to 3 ("plaintiffs") are companies organized under the laws of Sweden and are group companies of the reputed VOLVO group.



2.2. Plaintiffs are the registered proprietors of the trademarks “PENTA” and “VOLVO PENTA”. Plaintiffs’ adoption of the name/mark PENTA dates back to 1913 and the plaintiffs first used ‘VOLVO PENTA’ in the year 1964.

2.3. The trademark ‘PENTA’ was registered in India bearing registration nos. 265555 in class 7 and 265556 in class 12 in favour of AB Archimedes-Penta, since the year 1970. The said trademarks were duly assigned to AB Volvo in the year 1975.

2.4. AB Volvo, by way of a Deed of Assignment on 26th February, 1999, assigned the rights, interests and title held by it in the trade marks that consist of or contain the word ‘VOLVO’ including the device marks and the trade mark ‘PENTA’ to affect a valid transfer of the trade marks to the assignee ‘Volvo Trademark Holding AB’ (plaintiff no. 2).

2.5. Plaintiff no. 2 is the exclusive and sole beneficial owner of the ‘VOLVO’ and more specifically the ‘PENTA’ trademarks. Plaintiff no. 2 subsequently, vide Global License Agreement dated 28th February, 1999, licensed plaintiff nos. 1 and 3, the right to use the said trademarks in relation to their respective businesses.

2.6. AB VOLVO owns, and controls shares in various corporations and companies, which are together referred to as ‘Volvo Group’. Volvo Car Corporation owns, and controls shares in various corporations and companies, which are referred to as the “Volvo Car Companies”. The ‘Volvo Group of Companies’ and the ‘Volvo Car Companies’ are collectively referred to as “VOLVO TM Companies”.



2.7. The plaintiffs' licensees and/other companies in the Volvo TM Companies manufacture goods and provide related services, throughout the world under the trademark 'VOLVO'.

2.8. The plaintiffs also use its registered trademark 'VOLVO' as also its various permutations and combinations, thereof, for a number of goods and services, such as cars, buses, trucks, heavy vehicles, and merchandise goods.

2.9. The plaintiffs' trademark 'VOLVO' has also been recognized by the Trade Marks Registry of India as a 'well-known' trademark and included in the list of well-known trademarks uploaded on the online records of the Trade Marks Registry of India.

2.10. The mark 'PENTA' was first adopted by the plaintiffs in the year 1913, and 'VOLVO PENTA' in the year 1965 and have been using the same continuously and extensively. The trademark 'VOLVO PENTA' is a combination of the two marks 'VOLVO' and 'PENTA'. The mark 'VOLVO' is a Latin word, and the mark 'PENTA' is a Greek word.

2.11. The mark 'VOLVO PENTA' is used for engines and complete power systems for marine and industrial applications and has been extensively and continuously used by plaintiff no. 1 and its subsidiaries and related companies throughout the world, including, in India.

2.12. The trademark 'VOLVO PENTA' and 'PENTA' have come to be associated and recognized by both members of trade and public with only the goods and business of the plaintiffs on account of the extensive use, publicity, promotion and reputation vesting in the plaintiffs in conjunction with the marks.



2.13. The cause of action in the present suit first arose in the month of November 2006 when the plaintiff received information that the defendants had applied for registration of the trademark PENTA in class 7 in respect of “Machine and machine tools, machine couplings and belting etc”.

2.14. Market inquiries carried out by the plaintiffs revealed that the defendants were engaged in an allied and cognate business as the plaintiffs and were attempting to register the plaintiffs’ trademark ‘PENTA’ for the said purpose.

2.15. A legal notice dated 14th December, 2006 was sent by the plaintiffs to the defendants calling upon the defendants to cease and desist from using the mark ‘PENTA’ as a part of their corporate name / trademark, the same being identical or deceptively similar to the plaintiffs’ marks.

2.16. The defendants in their reply dated 23rd January, 2007, admitted that their use of the word ‘PENTA’ as a part of the corporate name of defendant no. 2 company, Penta Auto Equipments Pvt. Ltd., which dates to 2nd June, 2001, with business operations dating back to years 2004 and 2006. However, despite the same, the defendants refused to amicably settle the matter and challenged the plaintiffs’ rights in the said trademark.

2.17. The scope of the defendants’ activities were discovered to be in direct conflict with the plaintiffs’ business activities under their registered trademarks ‘VOLVO’ and ‘PENTA’ in various fields, including, manufacture of engines for marine motors for which the plaintiffs hold specific registration for engines and complete power systems for marine and industrial application under Class 7.

2.18. Hence, the present suit has been filed.



Submissions by plaintiffs:

3. On behalf of the plaintiffs, following submissions have been made:

3.1. The trademark VOLVO PENTA is a combination of the two well-known trademarks VOLVO and PENTA. The mark PENTA was first adopted by the plaintiffs in the year 1913 and the mark VOLVO PENTA was adopted in the year 1964. Therefore, these trademarks are exclusively associated with the plaintiffs.

3.2. The trademark VOLVO PENTA is registered in India under registration no. 1384891 in Classes 4, 7, 9, 11, 12, 17, 35, 37, 38 and 42 since the year 2005 in the name of plaintiff no. 2.

3.3. The plaintiffs have spent enormous sums of money to advertise and promote its VOLVO PENTA and PENTA trademarks across the globe. The said trademarks have been advertised and extensively promoted through various mediums, including, magazines, pamphlets, and television.

3.4. The exclusivity of the association of the mark with the plaintiffs is assured since the VOLVO PENTA mark also forms a prominent part of the trading style of the plaintiffs. Additionally, the global exposure of the consumers across different countries to VOLVO PENTA products emanating from the Penta-line of products of the plaintiffs, has assured exclusive association of the said mark with the plaintiffs.

3.5. The defendants can have no valid reason for adopting the plaintiffs' well-known mark for their own services/ corporate name when they are aware of the plaintiffs' prior use and proprietorship over the said mark. Further, the defendants can also not have any justification for adopting what is clearly an invented and highly distinctive mark.



3.6. The plaintiffs' registrations for the word mark PENTA in India, under No. 265555 and 265556 in relation to Class 7 and Class 12 respectively, constitute constructive notice to third parties such as the defendants in the present case, on account of which they cannot legitimize their patently unauthorized act of misappropriating the plaintiffs' trademark.

3.7. It is an accepted proposition of law that well-known and reputed trademarks become diluted when the consumer capacity to associate it with the plaintiffs' products is diminished. Such unauthorized use will undermine and tarnish the positive associations and indications evoked by the plaintiffs' trademark PENTA.

3.8. Enormous goodwill and reputation enjoyed by a particular trademark is worthy and deserving of a wide scope of protection. The stronger the plaintiffs' trade mark, the greater the protection it deserves in connection with the use of an identical mark by the defendants.

3.9. The plaintiffs' trademark PENTA, being an invented trademark has the highest degree of inherent distinctiveness, has been used extensively over a long period of time, over a wide geographical area, has earned tremendous publicity and popularity, is well recognised by members of the trade and public and is, therefore, entitled to protection against its misappropriation.

3.10. The defendants have, by their own admission in their reply dated 23rd January 2007, adopted the impugned mark 'PENTA' in relation to their products and services as well as their corporate/trade name, subsequent to the use of such word by the plaintiffs, only since 2001, with the sole



intention of enjoying the benefits that flow from the tremendous reputation and goodwill that exists in favour of the plaintiffs' trademark.

3.11. The plaintiffs' trademark 'VOLVO' has also been recognized by the Trade Marks Registry of India as a 'well-known' trademark and included in the list of well-known trademarks uploaded on the online records of the Trade Marks Registry of India.

3.12. Further, the well-known nature as well as the immense goodwill and reputation as is vested in the trademark 'VOLVO' of the plaintiffs has been acknowledged by this Court as well as by various other Courts in India, including, Tribunals and Forums across the globe.

3.13. The trademarks 'PENTA' as well as the mark 'VOLVO PENTA' are registered in favour of the plaintiff no. 2 in many countries.

3.14. Reliance is further placed upon letters, invoices, purchase orders, consignment orders and documents which illustrate that plaintiff no. 1 has been carrying out business under the mark 'VOLVO PENTA' in India dating back to the years 1991- 1994.

3.15. The trademark 'PENTA' was first adopted by the plaintiffs in the year 1913. The said trademark in India has also been registered under no. 265555 in Class 7 and 265556 in Class 12, which were assigned to the plaintiffs in the year 1975, which is much prior to the adoption of the said mark by the defendants in the year 2001.

3.16. Even an intention to use a mark is sufficient to infer use. In the present case, there was an intention and then clear and categorical use of the mark 'PENTA' by the plaintiffs' predecessors-in-title and interest and then the plaintiffs, which run over three decades.



3.17. The plaintiffs' line of business includes engines for automobiles of all kinds. Further, the plaintiffs own a trademark registration in Class 7, which is the very same class in which the defendants have also filed an application for registration of an identical mark 'PENTA' in respect of "Machines and machine tools, machine couplings and belting special tools, equipments, motors, hardware, hand tools, accessories, instruments, workshop tools, implements and engineering products and automobile tools and equipments included in Class 7".

3.18. The trademark of the defendants being identical to the plaintiffs' registered trademark 'PENTA' and their goods, being allied and cognate to the goods of the plaintiffs, constitute acts of infringement and passing off.

Submissions by defendants:

4. On behalf of the defendants, following submissions have been made:

4.1. The mark PENTA is generic and has a specific dictionary meaning. The defendants' use of the trade mark/name PENTA does not constitute infringement of trademark no. 265555B. The plaintiffs cannot claim any proprietary rights for the Greek word 'Penta' as theirs and file a suit for infringement.

4.2. The defendants are not engaged in the manufacturing or selling of products related to marine engines, industrial and marine equipment, tools and accessories, or mercantile products. It is evident that they do not operate in the same trade, either in manufacturing or selling.

4.3. AB Archimedes-Penta had no proprietary right in the trade mark PENTA either in India or anywhere else in the world on the date of making the application for registration or even on the date of filing this suit.



4.4. Plaintiff no. 2 who claims to have become the subsequent registered proprietor of trade mark no. 265555B, has not made use of the trade mark in respect of the goods for which the same is registered at any point of time.

4.5. The plaintiffs have also not made any use of the trademark 'VOLVO PENTA' in respect of any of the goods of their alleged manufacture or sale or alleged services.

4.6. The registration of a composite trademark consisting of several matters does not confer any exclusive right in favour of the plaintiffs to the exclusive use or statutory right to part of the whole trademark, namely, PENTA.

4.7. The class of purchasers and trade channels for the plaintiffs' goods and the defendants' goods, are entirely different. The defendants manufacture special service tools for vehicles, not marine engines, or boats. The goods manufactured by the defendants under the trademark PENTA serve different purposes and uses, compared to marine motors and boats, negating any claims of infringement or likelihood of confusion in the market.

4.8. This court lacks territorial jurisdiction to entertain and try the present suit. Section 134(2) of the Trade Marks Act, 1999 does not apply in the present case, as none of the plaintiffs have registered or branch offices in India or within this court's jurisdiction.

4.9. Plaintiff no. 1 does not claim to own the trademark PENTA, and plaintiff no. 2, who claims ownership of trademark nos. 265555B and 265556B, does not have an office within this court's jurisdiction. None of the plaintiffs have registered or branch offices in India or within this court's



jurisdiction, while defendant no. 1 resides and conducts business in Tamil Nadu, making the suit in Delhi not maintainable.

4.10. The plaint has been signed and verified by Col. Retd. J.K. Sharma, who claims to be the constituted attorney of the plaintiffs. However, there is no board resolution or proper authorization presented to support this claim. Without proper authorization, the plaint is incompetent and liable for rejection under Order VII Rule 11(d) of Code of Civil Procedure (“CPC”) 1908. The suit cannot be maintained as the fundamental requirement of authorization has not been met.

4.11. No documents have been filed to show that the plaintiffs have sold any product in India under the trade mark ‘PENTA’.

4.12. The defendants manufacture grease dispensers, high pressure washers for two and four wheelers, two wheelers hydraulic ramps, hydraulic trolley jacks, oil collectors, spark plug cleaners, axle stands, tyre inflators, spark plug cleaners, battery chargers and testers, among other products. The defendants are not engaged in the manufacturing or selling of the products related to marine engines, industrial and marine equipments, tools and accessories or mercantile products. Therefore, based on the admissions of both plaintiffs and defendants, it is evident that they do not operate in the same trade, either in manufacturing or selling.

4.13. Plaintiffs have not made any use of the trademark ‘VOLVO PENTA’ in respect of any of the goods of their alleged manufacture or sale or alleged service. The trademarks ‘VOLVO’ and ‘PENTA’ have never been used in combination by the plaintiffs. Plaintiff no. 3 has not used the trademark



‘PENTA’ for marine motors and or boats, and no substantial documents have been produced to prove their existence, usage, manufacture or sales.

4.14. Given the different product categories and trade channels, there is no possibility of misrepresentation or confusion among consumers. The goods covered by the respective trademarks are different, negating any likelihood of confusion.

5. I have heard learned counsels for the parties and have perused the record.

Proceedings before the Court:

6. The present suit was filed and instituted on 19th March, 2007. Issues were initially framed on 12th July, 2010. During the pendency of the present suit, an application being *I.A. No. 15864/2011* under Order VI Rule 17 CPC, for amendment of plaint, was filed on the ground that subsequent to the filing of the present suit, the plaintiffs had obtained multi-class registration of the trademark ‘VOLVO PENTA’ and a certificate of registration was issued on 19th February, 2010. For this reason, the plea regarding such registration of the trademark in India was sought to be incorporated in the plaint. This Court vide order dated 30th September, 2011 allowed the aforesaid application by holding that a subsequent cause of action is being joined and that no new case is being made out. Thus, the plaint was allowed to be amended to include a cause of action of infringement of the mark ‘VOLVO PENTA’ on account of its registration certificate being issued after institution of the suit.



7. Subsequently, this Court vide order dated 03rd February, 2012, allowed *I.A. No. 14672/2011* filed on behalf of the plaintiffs, seeking amendment of issue nos. 4 and 5, as framed earlier on 12th July, 2010. Thus, on 03rd February, 2012, issues were amended by this Court. Thus, the final settled issues in the present case, as recorded in the order dated 03rd February, 2012, are as follows:

“1. Whether this Court has territorial jurisdiction to entertain and try the present suit? OPP

1.(A) Whether the plaint is signed, verified, and instituted by a competent person on behalf of the plaintiffs? OPP

2. Whether the plaintiffs are the proprietors of the Trademark ‘PENTA’ in respect of engines for cars, power systems for marine industrial applications? OPP

3. Whether the plaintiff No.2 is the subsequent registered proprietor of trademark ‘PENTA’ in respect of Trademark Nos. 265555 and 265556 in class 7 and 12 respectively as alleged in para 15 of the plaint? OPP

4. Whether the use of trademark ‘PENTA’ on part of the defendants in respect of machine and machine tools, machine couplings and belting, special tools, equipments, motors hardware etc. constitute an act of passing off? OPP

5. Whether the defendants have committed any acts of infringement of plaintiffs’ registered trademark nos. 265555 in class 7 and 265556 in class 12 and 134891 in class 4, 7, 9, 11, 12, 17, 35, 36, 38, 41? OPP

6. Whether the plaintiffs are guilty of misrepresentation, suppression and making false statement as alleged in preliminary objections and if so to what effect? OPD

7. Whether the suit of the plaintiff is barred by the principles of delay, laches and acquiescence? OPD

8. Relief.”



8. The examination-in-chief and cross-examination of witnesses was conducted before the learned Local Commissioner. The trial was concluded on 18th July, 2019.

Issue-Wise Findings and Analysis:

Issue no. 1: Whether this Court has territorial jurisdiction to entertain and try the present suit?

9. The instant case concerns trademark infringement, dilution, passing off and unfair competition, damages, delivery up and costs.

10. The defendants have raised the objection regarding territorial jurisdiction of this Court. In this regard, it is to be noted that Section 134(2) of the Trademarks Act, 1999 provides that a suit for infringement of trademark can be instituted within local limits of the Courts in whose jurisdiction the plaintiff carries on business. In this regard, reference may be made to cross-examination of the plaintiffs' witness, PW-1, dated 08th February, 2018, wherein, it has been deposed as follows:

“xxx xxx xxx

Q. 77 I put it to you that AB Volvo Penta is an independent Company.

Ans: AB Volvo Penta is part of AB Volvo Group of Companies.

Q. 78 I am asking you whether AB Volvo Penta is a registered company with the Registrar of Companies in India?

Ans: Yes. It is registered and assigned.

xxx xxx xxx

Q.91 I put it to you that you don't have jurisdiction to institute proceedings in Delhi.

Ans. We have the jurisdiction to institute proceedings in Delhi. Witness volunteers: Volvo India Pvt. Ltd. office is presently in Delhi.

Q.92 Where is the office of Volvo India Pvt. Ltd. in Delhi?

Ans. In Surya Kiran building in Delhi.

xxx xxx xxx”



(Emphasis Supplied)

11. As per the evidence on record, *Ex. PW-1/56*, the plaintiffs have also shown that they have exclusive agents and dealers in Delhi.

12. Further, from the cross-examination of the defendants' witness, it is clear that their products are sold in Delhi. Reference may be made to cross examination of *DW-1* dated 12th April, 2019, wherein, it has been deposed as follows:

“xxx xxx xxx

Q89) Do you know the name Mori Gate as an area in Delhi, India?

Ans) Yes I know.

Q90) Are some of the engineering automobile tool retailers located in Delhi in the Mori Gate area?

Ans) One of our retailers is located in Mori Gate area.”

(Emphasis Supplied)

13. Additionally, documents have been produced in evidence indicating the territorial jurisdiction of this Court, which have been exhibited and marked, and which have been proved through oral testimony. The relevant documents are as follows:

- i. Certified copy of the telephone bill of Volvo India Pvt. Ltd. – *Mark T*.
- ii. Copies of orders placed by third parties on Volvo India Pvt. Ltd. in Delhi – *Mark U*.
- iii. Plaintiffs having exclusive agents and dealers in Delhi – *Exhibit PW1/56*.

14. Thus, it is clear that this Court has the territorial jurisdiction to entertain the present suit. Therefore, issue no. 1 is decided in favour of the plaintiffs and against the defendants.



Issue no. 1(A): Whether the plaint is signed, verified, and instituted by a competent person on behalf of the plaintiffs?

15. As regards Issue no. 1(A), this Court notes that the plaint has been instituted by Col. (Retd.) J.K. Sharma, who is duly authorized by the plaintiff nos. 1, 2 and 3, to institute the present suit. The plaintiffs' witness, *PW-1*, has duly verified the signatures on the plaint as those belonging to Col. (Retd.) J.K. Sharma, in his affidavit-in-chief, *PW-1A*.

16. Further, *PW-1*, in his cross-examination has confirmed that he was aware of the signature of Col. (Retd.) J.K. Sharma and that he was the constituted attorney of the plaintiffs. The relevant portion of the cross-examination of *PW-1* dated 27th April, 2017, is reproduced as under:

“xxx xxx xxx

Q.63 Have you produced any document to show that you were working with Col. Sharma at the same office of the Plaintiffs to be aware of his signature?

Ans. I am aware of his signature.

xxx xxx xxx

Q.65 Have you mentioned anywhere in your affidavit where was Col. Sharma working in 2003-2007?

Ans. It is not mentioned in the affidavit that where Col. Sharma was working in 2003-2007. Vol. I am aware that Col. Sharma was the constituted attorney of the Plaintiff.

xxx xxx xxx”

(Emphasis Supplied)

17. The fact that the suit was instituted by an authorized and competent individual, with the knowledge and approval of the plaintiffs, and that the actions of the constituted attorney have been duly ratified, is clear from express authority in favour of the constituted attorney, viz., the formal



power of attorneys filed in the present proceedings. This Court also takes note of the fact that the prosecution of the suit has been done continuously by the plaintiffs for the last 17 years. Requisite Court fees have been duly paid in support of the plaint. Further, witness, *PW-1*, has been produced, who deposed on behalf of the plaintiffs and is an employee of Volvo India Pvt. Ltd.

18. In this regard, reference may be made to the judgment in the case of *Kabushiki Kaisha Toshiba Versus Toshiba Appliances Co., 2024 SCC OnLine Del 5594*, wherein, it has been held that in situations where no explicit authorization is evident and an officer of the Corporation has signed the pleadings, the Corporation has the ability to subsequently ratify the actions. Thus, it has been held, as follows:

“xxx xxx xxx

59. The Court has examined the documents and oral evidence. While no specific onus of proof was assigned to this issue, the burden typically falls on the Plaintiff to demonstrate that the suit was signed, verified, and instituted by an authorized and competent individual. It cannot be disputed that a company like the Plaintiff can sue and be sued in their own name. As a juristic entity, a company necessarily acts through individuals authorized to represent its legal interests. Order XXIX Rule 1 of the CPC stipulates that in cases involving a corporation, the Secretary, any Director, or any other Principal Officer who is knowledgeable about the facts of the case is empowered to sign and verify pleadings on behalf of the company. As per Order VI Rule 14, a pleading is required to be signed by the party and its pleader, if any. When these two provisions are read in conjunction, it becomes clear that even in the absence of a formal authorization, such as a Letter of Authority or Power of Attorney, the designated officers enumerated in Order XXIX Rule 1 possess inherent authority to act on behalf of the corporation. This provision ensures that the practical realities of a corporate's operations are accommodated within legal procedures, allowing those who hold these offices to effectively represent the corporate entity in judicial processes. In addition thereto and de hors Order XXIX Rule 1 of the



CPC, since a company is a juristic entity, it can duly authorise any person to sign the plaint or the written statement on its behalf, and this would be regarded as sufficient compliance with the provisions of Order VI Rule 14. In the case of United Bank of India v. Naresh Kumar and Ors., the Supreme Court held that beyond the stipulations of Order XXIX, a corporation may also specifically authorize any individual to sign pleadings and other legal documents. This can be achieved through explicit means such as a resolution passed by the Board of Directors or through the execution of a Power of Attorney. In situations where no explicit authorization is evident, and an officer of the corporation has signed the pleadings, the corporation has the ability to subsequently ratify these actions. Such ratification may be express, such as through formal corporate resolutions, or implied, discerned from the conduct and the context of the legal proceedings.

xxx xxx xxx

63. **The Court, upon reviewing the evidence and considering the totality of the circumstances, particularly the conduct of trial, is empowered to infer that the corporation has ratified the actions of its officer who signed the pleadings. This interpretative flexibility ensures that technical lapses in formal authorization do not unduly hinder the substantive pursuit of justice, reflecting a pragmatic approach to corporate legal representation.** Thus, keeping the Evidence Act in view, despite rigorous cross-examination by the Defendant challenging the legality of these ratifications, the Court finds PW1's testimony credible and sufficient to confirm that the initiation of the suit by Mr. Kensuke Norichika complied with the requirements of the CPC. Mr. Kensuke Norichika's association with the Plaintiff-company as an employee is undisputed and his authority to act on its behalf has been substantiated.

64. **The longstanding engagement of the Plaintiff in the lawsuit, which has spanned over three decades, further supports the legitimacy of Mr. Kensuke Norichika's initial actions. The continuous appearance of witnesses on behalf of the Plaintiff, who have acknowledged Mr. Kensuke Norichika's role in initiating the suit, coupled with the express and implied ratifications through the ongoing prosecution of the case, reinforce the validity of his actions. This is also evidenced by the Plaintiff's payment of court fee, consistent submission of documentary and oral evidence, and active participation in the trial process throughout this period.**

xxx xxx xxx”

(Emphasis Supplied)



19. In the present case, power of attorneys in favour of Col. JK Sharma on behalf of the plaintiffs, have been filed, and marked as Mark A-C. The said documents duly stand proved during the course of evidence.

20. Accordingly, Issue no. 1A is decided in favour of the plaintiffs and against the defendants.


Issue no. 2: Whether the plaintiffs are the proprietors of the Trademark 'PENTA' in respect of engines for cars, power systems for marine industrial applications?

21. The trademark 'PENTA' was registered in India under registration nos. 265555 in Class 7 and 265556 in Class 12 in favour of AB Archimedes –Penta, since the year 1970. The same was duly assigned to plaintiff no.1, AB Volvo in the year 1975. The document pertaining to the same, as available on record, is reproduced hereunder:



PENTA ✓

Name - AB ARCHIMEDES-PENTA. ✓
Address - Karlsbodavagen 25, Bromma, Sweden. ✓
Class - 12. ✓
Goods - All goods included in Class 12. ✓
User -
Address for service - C/o. DePenning & DePenning,
10, Government Place, East,
Calcutta. ✓


Registered Trade Mark Agent
for the Applicants.

23. In respect of trade mark No. 265553, 265555B in class 7
and 265554B, 265555B in class 12.
SUBSEQUENT PURSUANT to a request on form TM-24 dated 14th
PROPRIETORS: March, 1975 and order thereon dated 15th April,
1975 Aktiebolaget Volvo, a Swedish Company,
Goteborg, Sweden, is registered as subsequent
proprietors of this mark as from 5th September,
1974 by virtue of deed of assignment dated 5th
September, 1974.
ADDRESS FOR SERVICES: C/o. DePenning & DePenning
10, Government Place, East,
Calcutta.
10/7/75.

22. AB Volvo assigned by way of an Assignment Deed dated 23rd March, 2001, *Mark D*, assigned the trademarks 'VOLVO', including the mark 'PENTA' to plaintiff no. 2. Hence, it is manifest that plaintiff no. 2 owns and maintains the trademark PENTA by virtue of the said assignment. A certified copy of application of Form TM – 28 filed before the Registrar of Trademarks to bring on record plaintiff nos. 1 and 3 as licensee of the trademark, is also on record, *Mark E*.



23. The various documents on record in support of the plaintiffs' registrations for the PENTA and VOLVO PENTA, have been duly exhibited and marked, and proved through oral testimony.

24. There are various documents on record comprising of invoices, purchase and consignment order, authorized dealer certificate evidencing the sale of plaintiff no. 1's product under the mark 'PENTA' and 'VOLVO PENTA' in India, dating back to the year 1998. The document, 'Mark J', shows extensive use specifically for 'VOLVO PENTA MARINE ENGINE', both prior to the incorporation of defendant no. 1 in the year 1998, since 1998, and even after the defendants commenced operations, i.e., in the year 2002.

25. Further, the cross-examination dated 04th May, 2018 of PW-1, is relevant, wherein, he has deposed, as follows:

“xxx xxx xxx

Q.148 Please point out which are the invoices you are relying upon to show import documents and to which company import has been done in respect of engines in the brand name PENTA in the proceedings?

Ans: One of the document, Invoice No. R-72600 dated 15.05.2002 from page nos.1920 & 1921 (Mark J) (This document is now exhibited as Ex.PW-1/57). The other document, Invoice No. R- 73342 dated 11.08.1998 at page nos.2033 (Mark J) (This document is now exhibited as Ex.PW-1/58). The third document Ex.PW-1/25 at page no. 2288 and several others.

Q.149 I put it to you that Ex.PW-1/57 is only the spare parts of the engine and not the engine as a whole.

Ans: It is incorrect. Please refer the said document for details written as Volvo PENTA Industrial Engine and accessories.

Q.150 Is Fly Wheel Clark an engine?

Ans: The document describes contents of an engine therefore Fly Wheel is part of an engine.



Q.151 I put it to you that Ex.PW-1/57 & Ex.PW-1/58 are only accessories to an engine and not an engine as a whole.

Ans: It is incorrect. The document is for the engine with the detail bill of material of an engine describing the contents.

xxx xxx xxx

Q.153 From the Ex.PW-1/57 & Ex.PW-1/58, can you tell me where was the engine and its accessories manufactured?

Ans: The above said document is from Volvo PENTA Sweden and supplied to India.

Q.154 I put it to you that Volvo PENTA industrial engine and accessories manufacturing unit, Pithampura is yet to start its manufacturing process and you are giving false evidence in the proceeding.

Ans: It is incorrect.

Q.155 When was the manufacturing unit started in Pithampura?

Ans: It is between 2016 and 2017 for industrial versatile applications.

Q.156 I put it to you that from 1970 no engines in the name of Volvo PENTA were supplied by the Plaintiff to any Indian company?

Ans: It is incorrect. This brand is being used in India since 1970.

Q.157 I put it to you that you don't have any records to show that engines in the brand name PENTA was supplied to any Indian customer or there was any commercial sale activity of engines in the name PENTA in India and you have not produced any documents in the proceedings.

Ans: It is incorrect. There are several documents confirming the supply of PENTA engines under the brand name Volvo PENTA in India.

xxx xxx xxx”

(Emphasis Supplied)

26. It is also pertinent to note that Ex. PW/Mark 1/25 shows the use for Volvo Penta Marine Engine spare parts since the year 1992. Reference may also be made to Ex. PW-1/33A, which are print outs of photographs of the plaintiff no.1's products being sold under the trademark 'VOLVO PENTA'. Further, Ex. PW-1/34A, are the internet extracts from the plaintiffs' website, www.volvomerchandise.com evidencing that the trademark 'VOLVO



PENTA' is used for various products.

27. Documents on record show that the marks PENTA and VOLVO PENTA have been advertised and promoted in India through brochures, sponsorships, etc. Reference in this regard is made to the following documents:

I. Original signed certificate showing sales figures of plaintiff no.1's products under the trademark 'VOLVO PENTA' in India for the year 1999-2010 - *Ex. PW-1/25A*.

II. Advertisements and articles published in various magazines and newspapers in India bearing the trademark 'VOLVO PENTA' - *Ex. PW-1/30*.

III. Attested copy/ certificate of the advertisement, publicity and marketing expenses of the VOLVO PENTA division in between the year 1997-2010 - *Ex. PW-1/32*.

28. It is to be noted that the plaintiffs' registrations marked as *Ex. PW-1/22A* and *Ex. PW-1/22B* for the mark 'PENTA' relate to boats and marine motors. Similarly, the plaintiffs' registration marked as, *Ex. PW-1/23* for 'VOLVO PENTA' pertains to engines, parts, tools, repair of machines, etc. 'PENTA' is an essential feature of this registration. Therefore, plaintiffs' proprietorship of the said mark for the aforesaid class of goods, stands established.

29. The statutory registrations coupled with extensive and continuous use clearly illustrate that the plaintiffs' business under the mark extends to a range of applications, including, engines for cars, power systems and marine applications.



30. A bare perusal of *Ex. PW-1/22A* and *Ex. PW-1/22B*, reveals that plaintiff no. 2, VOLVO Trademark Holding AB, has been recorded as the subsequent registered proprietor of the 'PENTA' and 'VOLVO PENTA' marks pursuant to the trademarks office being satisfied about the Assignment Deed dated 23rd March, 2001, which has been identified as *Mark D* in the present proceedings. Further, as regards the registration for VOLVO PENTA, *Ex. PW-1/23*, the certificate for use in legal proceedings as filed *qua* the said marks, itself records plaintiff no. 2 as the registered proprietor of the mark.

31. Accordingly, Issue no. 2 is decided in favour of the plaintiffs and against the defendants.

Issue no. 3: Whether the plaintiff No. 2 is the subsequent registered proprietor of Trademark 'PENTA' in respect of Trademark Nos. 265555 and 265556 in class 7 and 12 respectively as alleged in para 15 of the plaint?

32. The plaintiffs are the registered proprietors of the trademarks 'PENTA' and 'VOLVO PENTA', in the following manner:

Sl. No	Trademark	Regis No.	Date of application	Class	Goods & service details	User Detail	Valid Upto	Ex.
1.	PENTA (word)	265555	09/07/1970	7	Marine Motors	Proposed To be used	09/7/2025	PW-1/22A
2.	PENTA (Device)	265556	09/07/1970	12	Boats.	Proposed to be used	9/7/2025	PW-1/22B



3.	VOLVO PENTA	1384891	2005	4,7,9, 11,12, 17,35, 37,38, 42			14/9/ 2025	PW- 1/23
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33. The defendant has admitted that their attorney had knowledge of the trademark 'PENTA' and its registration no. 265555 as far back as 27th October, 2005. The defendant has further admitted that it had constructive notice of the registration for 'PENTA' under no. 265555 ever since 1970. The cross examination of DW-1 dated 11th April, 2019, in this regard, is extracted as below:

“xxx xxx xxx

Q49) Please see Exhibit D-2. Is it correct that your attorney had knowledge of trade mark Penta and its registration no. 265555 as far back as 27th October, 2005?

Ans) Correct.

Q50) Please see Exhibit 1/22A which is the register trade mark for Penta under No. 265555. I put it to you had constructive notice of this registration ever since 1970?

Ans) Correct.

xxx xxx xxx”

(Emphasis Supplied)

34. The defendants had filed application for registration of the mark 'PENTA' bearing no. 1363988 in Class 7, which had been opposed by the plaintiffs. The defendants chose not to pursue the said application and consequently the same stood 'abandoned'. The defendants had also filed



another application for registration of the mark 'PENTA' bearing no. 1019254 in Class 7, which too stands abandoned.

35. The aforesaid facts stand admitted by the defendants' witness, DW-1, in his cross-examination dated 11th April, 2019, in the following manner:

“xxx xxx xxx

Q51) Please see the goods covered by your trade mark registration No.1363988 being Exhibit No. D-1 and confirm that the goods include machines, motors and other accessories such as hand tools, workshop tools, automobiles tools etc.?

Ans) I confirm.

Q52) Please see the document now being handed over to you which is an entry on the internet website IPINDIAONLINE.GOV.IN maintained by the trademarks registry. Please confirm that according to the e-register your trademark Application No.1363988 stands 'abandoned' as on 15.02.2019?

(The witness is shown the above said documents alongwith an affidavit under section 658 of the Indian Evidence Act. The documents is Exhibit DW1/P1.)

Ans) As per the document it is abandoned.

Q53) Please see the document now being shown to you. This is the order dated 05.08.2008 by which the registration no. 1363988 was abandoned pursuant to opposition no. MAS249778 filed by Volvo Trademark Holding AB, Sweden, which is plaintiff no.2 in the present proceedings. Please confirm that this order was passed in relation to your said application.?

(The witness is shown the above said documents along with an affidavit under section 65B of the Indian Evidence Act. The documents is Exhibit DW1/P2.)

Ans. I confirm.

Q54) Please see the document now being handed over to you which is an entry on the internet website IPINDIAONLINE.GOV.IN maintained by the trademarks registry. Please confirm that according to the e-register your trademark Application No.1019254 stands 'abandoned' as on 14.02.2019?

(The witness is shown the above said documents along with an affidavit under section 65B of the Indian Evidence Act. The documents is Exhibit DW1/P3.)

Ans) It is correct.



Q55) Therefore in your two Penta applications one 1363988 and the second 1019254 the user statement for the identical Penta Trademark in respect of machines tools, special tools, coupling tools, workshop tools being identical goods in both the applications the user statements contradict each other i.e. one mark is proposed be used while the other is 13.06.2001. Is this correct?

Ans.) From the document, it seems to be correct.

xxx xxx xxx”

(Emphasis Supplied)

36. Reference may also be made to the cross examination of DW-1 dated 12th April, 2019, wherein, he deposed in the following manner:

“xxx xxx xxx

Q73) After your application were abandoned, did you refile them and if so under what number?

Ans) Yes we have filed again and it is pending. I do not know the number.

Q74) I show the copy of the application filed by you under number 4055466 for the trademark Penta filed on 14.01.2019 which is under objections. Correct?

(The witness is shown the above said documents alongwith an affidavit under section 65B of the Indian Evidence Act. The documents is Exhibit DW1/P7.)

Ans) Yes correct.

Q75) I am show to your another application under number 1838465 which is also been abandoned. Correct?

(The witness is shown the above said documents alongwith an affidavit under section 65B of the Indian Evidence Act. The documents is Exhibit DW1/P8.)

Ans) Yes correct.

xxx xxx xxx”

(Emphasis Supplied)

37. Thus, it is clear that the plaintiffs are the registered proprietors of the



trademarks 'PENTA' and 'VOLVO PENTA' which are valid and subsisting as on date, while the defendants do not have any valid and subsisting registrations.

38. The documentary evidence on record, which have duly been proved during the course of oral examination, in regard to proprietorship of plaintiff no. 2 in the trademark PENTA, are as follows:

- i. Copies of trademark registration certificates for the mark 'PENTA' in Class 7 and 12 – *Mark I*
- ii. Certificate for use in legal proceedings for the mark 'PENTA' under no. 265555 in Class 7 – *Exhibit PW1/22A*
- iii. Certificate for use in legal proceeding for the mark 'PENTA' under no. 265556 in Class 12 – *Exhibit PW1/22B*
- iv. Certificate for use in legal proceedings for the mark 'VOLVO PENTA' registered in favour of plaintiff no. 2 under no. 1384891, registered on 19th February, 2010. - *Exhibit PW1/23*
- v. Application of form TM – 24 filed to bring on record, plaintiff no. 2 as the assignee of the trademark 'PENTA' – *Mark D.*
- vi. Application of form TM – 28 filed to bring on record, plaintiff nos. 1 and 3 as licensee of the trademark 'PENTA' – *Mark E.*
- vii. Extracts from various trademark journals evidencing that the mark 'PENTA' bearing registration nos. 265555B in Class 7 and 265556 in Class 12 has been duly assigned - *Mark I.*

39. Issue no. 3 is accordingly decided in favour of the plaintiffs and against the defendants.

Issue no. 4: Whether the use of Trademark 'PENTA' on part of the



defendants in respect of machine and machine tools, machine couplings and belting, special tools, equipments, motors hardware etc. constitute an act of passing off?

Issue no. 5: Whether the defendants have committed any acts of infringement of plaintiffs' registered trademark nos. 265555 in class 7 and 265556 in class 12 and 134891 in class 4, 7, 9, 11, 12, 17, 35, 36, 38, 41?

40. The defendants' challenge to the validity of the PENTA and VOLVO PENTA marks is unfounded. It is settled law that the validity of registrations can only be challenged in rectification proceedings and not in a suit. It is a matter of record that defendants till date have not filed any rectification proceedings under Section 47, read with Section 57 of the Trademarks Act, 1999, on account of non-use of the plaintiffs' 'PENTA' and 'VOLVO PENTA' marks. Even otherwise, as noticed above, the plaintiffs have furnished extensive documentary proof and evidence of their user of the mark PENTA and VOLVO PENTA in the present proceedings.

41. For the ground of invalidity of the PENTA and VOLVO PENTA marks to be raised by the defendants, it would have been incumbent on them under Section 124 of the Trademarks Act, 1999, to apprise the Court, and/or bring forth an application, under the said provision. In that eventuality, if the Court would have found the defendants' claims of invalidity of the plaintiffs' marks to be *prima facie* tenable, it would have granted them an opportunity to challenge the same through rectification proceedings, pending which the suit would be stayed. The findings of the rectification action would have thereon, been binding on this Court.



42. However, in the present case, having not followed the rigours of Section 124 of the Trademarks Act, the defendants cannot be allowed to challenge the validity of the PENTA and VOLVO PENTA marks in the present suit proceedings. Therefore, it is vexatious for the defendants to now question the validity of the plaintiffs' trademarks at the stage of final arguments, when they have chosen not to take any action during the period of pendency of the suit. Thus, Division Bench of this Court in the case of *Amrish Aggarwal Trading as M/s Mahalaxmi Product Versus M/s Venus Home Appliances Pvt. Ltd. and Another*, 2024 SCC OnLine Del 3652, vide judgment dated 17th May, 2024, has held as follows:

“xxx xxx xxx

44. *The position in law which thus emerges upon a consideration of Patel Field Marshal Agencies and Puma Stationer clearly appears to be the necessity of suit proceedings being stayed awaiting a final decision being rendered on any proceedings for rectification or cancellation that may be either pending or are intended to be initiated. The fact that the provision includes any decision rendered in those rectification or cancellation proceedings as binding upon the court trying the suit, lends added credence to the requirement and obligation of the suit court awaiting a final decision being rendered on those proceedings before taking up and examining the challenge of infringement or passing off.*

45. *This aspect unerringly comes to the fore when one reads Section 124(4) of the 1999 Act and which in explicit terms provides that the final orders passed in rectification proceedings would bind the parties and additionally oblige the court to dispose of the suit itself in conformity with the decision which may have been arrived at in the rectification or cancellation proceedings. The suit court thus clearly stands denuded of the authority or jurisdiction to independently proceed to examine the aspect of validity. The clear intent of the statute appears to be of ensuring that rectification challenges are placed exclusively before the Registrar or the High Court and consequently requiring the Trial Judge to stay its hands in any pending action.*

46. All that Section 124(1)(ii) of the 1999 Act additionally provides is for the Trial Judge evaluating whether the challenge to registration as raised either by the plaintiff or the defendant gives rise to a triable issue.



The expression “prima facie tenable” essentially requires the Trial Judge to undertake a preliminary examination of the plea of invalidity as opposed to a definitive determination. The aforesaid caveat essentially appears to have been introduced in order to enable the Trial Judge to dispose of pleas which may be wholly specious or devoid of substance. **Thus, if on a preliminary examination itself, the Trial Judge were to come to the conclusion that the plea of invalidity as raised is clearly untenable and merits no further examination, it would be entitled to proceed further in the suit. However, and once the court comes to the prima facie conclusion that the challenge to registration of a mark does merit further examination, it would have to undoubtedly place the suit proceedings in a state of latency and await the outcome of any rectification or cancellation action that may come to be instituted.**

47. **This is further fortified from a reading of Section 124(2) of the 1999 Act, which provides that once the party is able to successfully establish that an action has been commenced in accordance with sub clause (ii) of Section 124(1) of the 1999 Act, the trial of the suit shall stand stayed until the final disposal of the rectification proceedings. A conjoint reading of sub-sections (1) and (2) leads us to the irresistible conclusion that the Trial Judge is obliged in law to await the outcome of a rectification action validly instituted and to place the suit in a state of repose with proceedings liable to be resumed upon conclusion of rectification proceedings. The fact that the statute further provides for the decision on rectification to be binding upon the suit court is yet another affirmation of the legislative pre-eminence which the statute accords upon the former and the imperatives of the Trial Judge staying its hands whilst awaiting the outcome of those proceedings.** As we read Section 124 of the 1999 Act, we find that the provision has been structured in order to give effect to the legislative intent of what Mr. Ramanujan aptly described to be a “sequencing of decision making”. We consequently find that the learned Single Judge while framing the present Reference has correctly enunciated the legal position which would govern.

xxx xxx xxx

54. We are thus of the firm opinion that it would be wholly erroneous to construe Section 124 of the 1999 Act as obviating the need for a direction being framed by the suit court placing further proceedings in abeyance. Notwithstanding the abolition of the IPAB and the power of rectification reverting to the High Court, a Trial Judge would necessarily have to stay its hands once it is apprised of the pendency of a rectification or cancellation action and which may have been initiated prior to the institution of the suit itself. The Trial Judge while trying a suit would have to also necessarily take cognizance of any plea of invalidity that may be



raised in the suit proceedings itself. Once the Trial Judge on a prima facie examination of that plea finds the same to raise triable issues, it would be bound to stay further proceedings in the pending suit. This position is further fortified when one bears in mind that a district court, being a court other than a High Court, before which a suit may be brought is not conferred with a jurisdiction to rectify or cancel.

55. It becomes pertinent to note that in contingencies which are spoken of in sub-clauses (i) & (ii) of Section 124 (1) of the 1999 Act, the Legislature does not incorporate any provision for proceedings in the suit being automatically stayed. In both situations it would be incumbent upon the party to either apprise the court of a pending rectification action or once a plea pertaining to the validity of a trade mark is raised, to invite the court to frame an appropriate issue in that respect, to examine whether the same gives rise to a triable issue and consequently request the court to place all proceedings in abeyance enabling it to initiate an appropriate action for rectification. What we seek to emphasise is that since the statute does not contemplate the stay of proceedings as a natural corollary or one which would come into effect by operation of law, the obligation of the Court to frame an order staying further proceedings in the suit is neither dispensed with nor eliminated.

xxx xxx xxx”

(Emphasis Supplied)

43. Accordingly, the validity of the registrations of the mark ‘PENTA’ and ‘VOLVO PENTA’, stands established.

44. Likewise, the defendants’ challenge to the validity of the assignment deeds and licence deeds of the ‘PENTA’ and ‘VOLVO PENTA’ marks in favour of the plaintiffs, are unfounded. A bare perusal of *Ex. PW-1/22A* and *Ex. PW-1/22B*, reveals that plaintiff no. 2, Volvo Trademark Holding AB, has been recorded as the subsequent registered proprietor of the ‘PENTA’ and ‘VOLVO PENTA’ marks, pursuant to the trademarks office being satisfied.

45. The validity of the assignment is intrinsically linked to the validity of the trademarks. The validity of registrations can only be challenged in



rectification proceedings and not in a suit. The defendants till date have not filed any rectification proceedings challenging the plaintiffs' 'PENTA' and 'VOLVO PENTA' marks. Hence, the defendants' challenge to the validity of the assignment deeds, and licence deed of the 'PENTA' and 'VOLVO PENTA' marks in favour of the plaintiffs, is rejected.

46. The submission of the defendant that the mark PENTA is generic and no one can claim exclusive rights to the same, is also bereft of merits. The defendants having themselves, applied for the mark 'PENTA', asserting proprietary rights in the same, are precluded from challenging the mark 'PENTA' as generic. Reference in this regard may be made to the judgment in the case of *Automatic Electric Limited Versus R.K. Dhawan & Anr.*, *1999 SCC OnLine Del 27*, wherein, it has been held, as follows:

“xxx xxx xxx

16. The defendants got their trade mark "DIMMER DOT" registered in Australia. The fact that the defendant itself has sought to claim trade proprietary right and monopoly in "DIMMER DOT", it does not lie in their mouth to say that the word "DIMMER" is a generic expression. User of the word "DIMMER" by others cannot be a defense available to the defendants, if it could be shown that the same is being used in violation of the statutory right of the plaintiff.

In this connection, reference may be made to the decision of this Court in Prakash Road line Ltd. Vs. Prakash Parcel Service (P) Ltd.; reported in 1992(2) Arbitration Law Reporter page 174. Reference may also be made to the decision in P.M. Diesels Ltd. Vs. S.M. Diesels; reported in MANU/DE/0636/1994: AIR1994Delhi264. It was held in those decision that if the plaintiff is a proprietor of the registered trade mark, the same gives to the proprietor of the registered trade mark the exclusive right to use the trade mark with relation to goods in respect of which the trade mark is registered under the provisions of Section 28 of the Trade and Merchandise Marks Act. It was also held that such statutory right cannot be lost merely on the question of principles of delay, laches or acquiescence. It was also held that in general mere delay after knowledge of infringement does not deprive the registered proprietor of a trade



mark of his statutory rights or of the appropriate remedy for the enforcement of those rights so long as the said delay is not an inordinate delay. In my considered opinion, the ratio of the aforesaid decisions are squarely applicable to the facts of the present case.

xxx xxx xxx

19. It is undoubtedly true that the first syllable of a work mark is generally the most important and thus, when the defendants are using a similar prefix with that of the plaintiff with a little variation in the suffix part of it, in my considered opinion, the trade marks are deceptively similar and cause of action for prima facie infringement is complete. The submission of the learned counsel for the defendants that the word "DIMMER" is a generic and descriptive word also cannot be accepted for the trade mark is "DIMMERSTAT" and not "DIMMER" and the Court in a case of infringement of trade mark has to look into the whole of the trade mark as registered including the word "DIMMER". Since the plaintiff has been using the said trade mark for a long period of time, user of deceptively similar trade mark by the defendants would necessarily cause irreparable loss and injury to the plaintiff. In my considered opinion, balance of convenience is also in favour of the plaintiff and against the defendants.

xxx xxx xxx”

(Emphasis Supplied)

47. Further, the defendants themselves having applied for registration of the mark ‘PENTA’, and having abandoned the same upon opposition of the plaintiffs, cannot contend that the said mark is generic. Nothing has been proved to show that the mark ‘PENTA’ is a generic and common mark. No usage of the mark ‘PENTA’, by any third parties has been established by the defendants. In this regard, it is apposite to refer to the judgment of the Division Bench of this Court in the case of *Indian Hotels Company Ltd. and Another Versus Jiva Institute of Vedic Science and Culture, 2008 SCC OnLine Del 1758*, wherein, it has been held, as follows:

“xxx xxx xxx

40. It was also contended by Mr. Rohtagi that since other parties were



also making use of the trade mark Jiva the plaintiff was not entitled to the injunction prayed for. The decision of this Court in *Info Edge (India) Pvt. Ltd. v. Shailesh Gupta*, (2002) 24 PTC 355 (Del.) provides a complete answer to that submission. The court was in that case also dealing with a similar argument against the issue of an injunction which was repelled, holding that **the use of the trade mark by some other party against whom the plaintiffs have not proceeded immediately for seeking an injunction would not dis-entitle him from seeking an injunction against another party who was similarly committing a violation.**

41. To the same effect is the decision of this Court in *Essel Packaging Limited v. Sridhar Narra*, (2002) 25 PTC 233 (Del.) where the court has in almost similar circumstances held that **use of the trade mark by other parties against whom the plaintiffs have not proceeded does not dis-entitle him to proceed against the defendant.** The Court observed:

“22. Merely because some other parties or persons are using the name ESSEL does not provide a justification to the defendants for using the said name as the plaintiff has been using this name much prior to the adoption of this name by defendants and its widespread use of this name shows that this word has become synonymous with the business of the plaintiff and its group companies.”

xxx xxx xxx”

(Emphasis Supplied)

48. It may also be noted that the mark ‘PENTA’ does not imply or describe the products of the plaintiffs. Hence, the same cannot be termed as generic in nature.

49. Mere presence on Trademark Register is no proof of its user. No inference can be drawn of use simply by presence of a mark in the Trade Marks’ Register. The onus of providing such user is on the party, who wants to rely on those marks. No such evidence has been led by the defendants in the present matter. Defendants have relied upon documents, being Mark PW-1/D1, which are printouts taken out from the internet showing that PENTA name has been registered with the Registrar of Trademarks.



Similarly, defendants have relied upon Mark *PW-1/D2*, which are printouts from WIPO global brand database illustrating that the brand name PENTA has been registered in various countries under various Classes. However, reliance on the said documents by the defendants is of no consequence, as no inference can be drawn of the use of the mark PENTA by the defendants on the basis of the aforesaid printouts.

50. In this regard, reference may be made to the judgment in the case of *Century Traders Versus Roshal Lal Duggar and Company, 1977 SCC OnLine Del 50*, wherein, it has been held as follows:

“xxx xxx xxx

13. *The Supreme Court in Corn Products Refining Co. v. Shangrila Food Products Ltd., A.I.R. 1960 Supreme Court 142 (3) laid down the rule vis-a-vis user of a mark as opposed to registration of mark. It observed that **the onus of proving user is on the person who claims it. It did not approve of looking into the register of trademarks where a mark may be entered to be any proof of user.** To quote from the speech of A.K. Sarkar, J.: **“Now, of course, the presence of a mark in the register does not prove its user at all. It is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to their user from the presence of marks in the register.”***

14. *Thus, the law is pretty well-settled that in order to succeed at this stage the appellant had to establish user of the aforesaid mark prior in point of time than the impugned user by the respondents. The registration of the said mark or similar mark prior in point of time to user by the appellant is irrelevant in an action passing off and the **mere presence of the mark in the register maintained by the trade mark registry did not prove its user by the persons in whose names the mark was registered and was irrelevant for the purposes of deciding the application for interim injunction unless evidence had been led or was available of user of the registered trademarks.** In our opinion, these clear rules of law were not kept in view by the learned Single Judge and led him to commit an error.*

xxx xxx xxx”

(Emphasis Supplied)

51. No evidence has been led by the defendants to establish in any



manner the user of the mark 'PENTA'. Thus, holding that it is not permissible to draw any inference as to user of a mark from the presence of the marks on the Register of Trade Marks, in the case of *Corn Products Refining Co. Versus Shangrila Food Products Ltd.*, AIR 1960 SC 142, it has been held, as follows:

“xxx xxx xxx

16. *The series of marks containing the common element or elements therefore only assist the applicant when those marks are in extensive use in the market. The onus of proving such user is of course on the applicant, who wants to rely on those marks. **Now in the present case the applicant, the respondent before us, led no evidence as to the user of marks with the common element.** What had happened was that the Deputy Registrar looked into his register and found there a large number of marks which had either 'Gluko' or 'Vita' as prefix or suffix in it. **Now of course the presence of a mark in the register does not prove its user at all. It is possible that the mark may have been registered but not used. It is not permissible to draw any inference as to their user from the presence of the marks on the register.** If any authority on this question is considered necessary, reference may be made to Kerly p. 507 and Willesden Varnish Co. Ltd. v. Young & Marten Ltd. [39 RPC 285 p 289] It also appears that the appellant itself stated in one of the affidavits used on its behalf that there were biscuits in the market bearing the marks 'Glucose Biscuits', 'Gluko biscuits' and 'Glucosa Lactine biscuits'. But these marks do not help the respondent in the present case. They are ordinary dictionary words in which no one has any right. They are really not marks with a common element or elements. We, therefore, think that the learned appellate Judges were in error in deciding in favour of the respondent basing themselves on the series marks, having 'Gluko' or 'Vita' as a prefix or a suffix.*

xxx xxx xxx”

(Emphasis Supplied)

52. This Court also notes that the confronted documents, PW-1/D1, as shown to the plaintiffs' witness, PW-1 during his cross examination, does not show, 'PENTA' common to the Register. The said document shows that PENTA stand alone registrations are abandoned or withdrawn. There are



certain registrations for the mark ‘PENTA’ for Aggarbattis and Cosmetics, which are very different products. There are some marks by the name ‘PENTAGON’, ‘PENTAIR’, which are not same as ‘PENTA’.

53. The defendants have not been able to *prima facie* prove that the use by such other parties, had significant business turnover or they posed a threat to the plaintiffs’ distinctiveness. In fact, the Courts have consistently opined that the plaintiffs are not expected to sue all small type infringers, who may not be affecting plaintiffs’ business. In case, the impugned infringement is too trivial and insignificant, and is not capable of harming their business interests, a party may overlook and ignore petty violations, till they assume alarming proportion.

54. Thus, the Division Bench of this Court in the case of *Neutrica Pusti Healthcare Pvt. Ltd. and Others Versus Morepen Laboratories Ltd., 2021 SCC OnLine Del 2631*, has held, as follows:

“xxx xxx xxx

29. *No merit is found also in the contention of the counsel for the appellants/defendants that the respondent/plaintiff is not entitled to injunction for the reason of others using similar marks. **The respondent/plaintiff, as a registered proprietor of the trademark is not expected to run after every infringer and to instead of carrying on business in pharmaceuticals, carry on business in litigations; litigations are to be instituted only against those, use by whom of a similar/deceptively similar mark affects the respondent/plaintiff.** Reference may be made to National Bello v. Metal Goods Mfg. Co. P. Ltd., (1970) 3 SCC 665, Dr. Reddy's Laboratories Ltd. v. Reddy Pharmaceuticals Ltd., (2004) 76 DRJ 616, Pankaj Goel v. Dabur India Ltd., (2008) 38 PTC 49 (Del) (DB), Novartis AG v. Crest Pharma Pvt. Ltd., (2009) 41 PTC 57 (Del), Cadila Healthcare Ltd. v. Aureate Healthcare Pvt. Ltd., 2012 SCC OnLine Del 3940 and Nuvoco Vistas Corporation Ltd. v. J.K. Laxmi Cement Ltd., 2019 SCC OnLine Del 8057.*

xxx xxx xxx”

(Emphasis Supplied)



55. Under the law, it is the right of two parties before the Court, which has to be determined and the Court has not to examine the right of other parties. (*See: PM Diesels Ltd. Versus S.M. Diesels, 1994 SCC OnLine Del 117, Para 8*)

56. The defendants are not the registered proprietors of the mark 'PENTA'. They have not been authorized by the plaintiffs for use of the said mark. The defendants are using an identical mark for goods and services, which are directly covered by the plaintiffs' registration for 'VOLVO PENTA', *Ex. PW-1/23*, for Automobile tools, workshop tools, etc. Therefore, the mark 'VOLVO PENTA' is clearly infringed in terms of Section 29(1), (2) and (3) of the Trademarks Act, 1999.

57. The two registrations for PENTA for Marine Motors, *Ex. PW-1/22A* in Class 7 and *Ex. PW-1/22B*, in Class 12 for boats, are also infringed since the defendants' goods and services are in the same field. The defendants' own documents show that their dealers are engaged in 'Marine and Engineering works' and supply goods to *inter-alia* ships deployed by the Indian Navy. This is the same field and the same customer base, to which the plaintiffs supply their 'PENTA' branded goods. Reference in this regard may be made to letter dated 21st January, 2006, *Ex. DW-1/7*, sent by one Harshad Marine & Engineering Company to the defendants.

58. '*McCarthy on Trademarks and Unfair competition*', clearly provides that greater the similarity in the marks, lesser the similarity is required in the goods or services of the parties to support a finding of likelihood of confusion. The relevant extract from the aforesaid book, is as follows:

"xxx xxx xxx



Degree of similarity needed varies with competitive differences

Competitive Goods or Services: Less Similarity of Marks is Required. *The degree of similarity of the marks needed to prove likely confusion will vary with the difference in the goods and services of the parties. Where the goods and services are directly competitive, the degree of similarity required to prove a likelihood of confusion is less than in the case of dissimilar products. As the Trademark Board observed: "[A]s the degree of similarity of the goods of the parties increases, 'the degree of similarity [of the marks] necessarily to support a conclusion of likely confusion Declines.'"*

Very Similar Marks: Less Similarity in Goods or Services is Needed. *Conversely, the greater the similarity in the marks, the lesser the similarity required in the goods or services of the parties to support a finding of likely confusion. If the marks are very similar, it is "only necessary that there be a viable relationship between the goods or services in order to support a holding of likelihood of confusion." If the marks are identical, then the degree of similarity between the parties' goods or services can be quite large and there will still be a likelihood of confusion.*

xxx xxx xxx”

59. In light of the above, given the identical marks of the plaintiffs and the defendants, even if one was to assume that there is less similarity in goods and services of the plaintiffs and the defendants, there will still be a likelihood of confusion amongst the consumers.

60. Hence, trademark infringement by the defendants is clearly established.

61. The evidence on record shows that the plaintiffs have been using their marks for automobile engines parts, marine engines and tools in India. The evidence on record unequivocally establishes continuous use of the mark PENTA by the plaintiffs since 1992, which is ten years prior to the earliest claimed use by the defendants of the ‘PENTA’ mark.

62. The presence of tools, workshop equipment, service equipment



bearing the PENTA mark and corporate name is likely to confuse customers and industry members indicating, that an association exists between the plaintiffs and the defendants or that the defendants' goods originate from the plaintiffs or are meant to accompany the plaintiffs' products.

63. Commenting on the aspect of yardstick for assessing deceptive similarity and likelihood of confusion, this Court in the case of ***Kabushiki Kaisha Toshiba Versus Toshiba Appliances Co., 2024 SCC OnLine Del 5594***, has held, as follows:

“xxx xxx xxx

79. *For considering the appropriate yardstick for assessing deceptive similarity, it would be instructive to reference a few judgments of the Supreme Court of India, rendered under the Trade Marks Act 1958. In the landmark case of Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd., 10 the Court emphasized that the likelihood of confusion should be assessed from the perspective of an average consumer. It was held that when the similarity between the Plaintiff's and the Defendant's mark is so close – whether visual, phonetic, or otherwise – and the Court concludes that there is an imitation, no further evidence is necessary to establish that the Plaintiff's rights have been violated. This precedent underscores that the threshold for proving deceptive similarity does not necessarily require extensive evidence if the initial comparison clearly indicates imitation, thus simplifying the process of adjudicating claims of infringement based on superficial resemblance. In Amritdhara Pharmacy v. Satya Deo Gupta, 11 the Court stressed that in determining deceptive similarity, the analysis must be conducted from the perspective of a person who is likely to be deceived or confused. This judicial approach considers the state of mind of a customer possessing average intelligence and having imperfect recollection. The Court observed that minor differences between the marks might not be sufficient to distinguish them for an unwary consumer, especially if the overall impression created by the marks is one of similarity. Central to this inquiry is whether the public is likely to believe that the goods or services offered under the marks in question emanate from a common source. This perspective ensures that the focus remains not on the minutiae of the differences, but on the overall impact of the marks on the consumer's perception. Applying these well-established principles to the dispute at hand, the visual and phonetic similarities between “TOSHIBA”*



and “TOSIBA” become evidently significant, with only a single letter differentiating them. This minor variation does little to mitigate the visual similarity between the marks, which could readily lead to confusion owing to their nearly identical arrangement and appearance of letters. Moreover, the close phonetic resemblance would also easily foster confusion, particularly in environments where the marks are spoken rather than read, such as during verbal communications in stores or through auditory channels in advertisements. In such scenarios, the slight phonetic difference is likely to go unnoticed, potentially leading consumers to believe that the products originate from the same source.

xxx xxx xxx”

(Emphasis Supplied)

64. On the aspect of passing off with respect to a person adopting a name in connection to his business or services, which already belongs to someone else, the Supreme Court in the case of ***Laxmikant V. Patel Versus Chetanbhat Shah and Ors., (2002) 3 SCC 65***, has held that the same results in confusion and has propensity of diverting the customers and clients of someone else to himself. The relevant portion is extracted as under:

“xxx xxx xxx

10. A person may sell his goods or deliver his services such as in case of a profession under a trading name or style. With the lapse of time such business or services associated with a person acquire a reputation or goodwill which becomes a property which is protected by courts. A competitor initiating sale of goods or services in the same name or by imitating that name results in injury to the business of one who has the property in that name. The law does not permit any one to carry on his business in such a way as would persuade the customers or clients in believing that the goods or services belonging to someone else are his or are associated therewith. It does not matter whether the latter person does so fraudulently or otherwise. The reasons are two. Firstly, honesty and fair play are, and ought to be, the basic policies in the world of business. Secondly, when a person adopts or intends to adopt a name in connection with his business or services which already belongs to someone else it results in confusion and has propensity of diverting the customers and clients of someone else to himself and thereby resulting in injury.



11. *Salmond & Heuston in Law of Torts (20th Edn., at p. 395) call this form of injury as “injurious falsehood” and observe the same having been “awkwardly termed” as “passing-off” and state:*

“The legal and economic basis of this tort is to provide protection for the right of property which exists not in a particular name, mark or style but in an established business, commercial or professional reputation or goodwill. So to sell merchandise or carry on business under such a name, mark, description, or otherwise in such a manner as to mislead the public into believing that the merchandise or business is that of another person is a wrong actionable at the suit of that other person. This form of injury is commonly, though awkwardly, termed that of passing-off one's goods or business as the goods or business of another and is the most important example of the wrong of injurious falsehood. The gist of the conception of passing-off is that the goods are in effect telling a falsehood about themselves, are saying something about themselves which is calculated to mislead. The law on this matter is designed to protect traders against that form of unfair competition which consists in acquiring for oneself, by means of false or misleading devices, the benefit of the reputation already achieved by rival traders.”

12. *In Oertli v. Bowman [1957 RPC 388 (CA)] (at p. 397) the gist of passing-off action was defined by stating that it was essential to the success of any claim to passing-off based on the use of given mark or get-up that the plaintiff should be able to show that the disputed mark or get-up has become by user in the country distinctive of the plaintiff's goods so that the use in relation to any goods of the kind dealt in by the plaintiff of that mark or get-up will be understood by the trade and the public in that country as meaning that the goods are the plaintiff's goods. It is in the nature of acquisition of a quasi-proprietary right to the exclusive use of the mark or get-up in relation to goods of that kind because of the plaintiff having used or made it known that the mark or get-up has relation to his goods. Such right is invaded by anyone using the same or some deceptively similar mark, get-up or name in relation to goods not of plaintiff. **The three elements of passing-off action are the reputation of goods, possibility of deception and likelihood of damages to the plaintiff.** In our opinion, the same principle, which applies to trade mark, is applicable to trade name.*

13. *In an action for passing-off it is usual, rather essential, to seek an injunction, temporary or ad interim. The principles for the grant of such*



*injunction are the same as in the case of any other action against injury complained of. The plaintiff must prove a prima facie case, availability of balance of convenience in his favour and his suffering an irreparable injury in the absence of grant of injunction. According to Kerly (ibid, para 16.16) passing-off cases are often cases of deliberate and intentional misrepresentation, but it is well settled that fraud is not a necessary element of the right of action, and the absence of an intention to deceive is not a defence, though proof of fraudulent intention may materially assist a plaintiff in establishing probability of deception. Christopher Wadlow in Law of Passing-Off (1995 Edn., at p. 3.06) states that the plaintiff does not have to prove actual damage in order to succeed in an action for passing-off. Likelihood of damage is sufficient. The same learned author states that the defendant's state of mind is wholly irrelevant to the existence of the cause of action for passing-off (ibid, paras 4.20 and 7.15). As to how the injunction granted by the court would shape depends on the facts and circumstances of each case. **Where a defendant has imitated or adopted the plaintiff's distinctive trade mark or business name, the order may be an absolute injunction that he would not use or carry on business under that name** (Kerly, ibid, para 16.97).*

xxx xxx xxx”

(Emphasis Supplied)

65. The fact that defendants have used a part of the plaintiffs’ trademark as its own trademark and corporate name, also amounts to infringement in terms of Section 29(5) of the Trade Marks Act, 1999. Even otherwise, the plaintiffs are entitled to rights in the mark ‘PENTA’, as ‘PENTA’ is registered separately through two applications.

66. Thus, the plaintiffs are entitled under statutory and common law to the use of their marks ‘PENTA’ and ‘VOLVO PENTA’ in relation to their goods and services. The plaintiffs’ registrations constituted a constructive notice to third parties. The defendants’ witness, DW-1 has himself admitted in his cross examination dated 11th April, 2019 to question nos. 49 and 50, that he had constructive notice of the plaintiffs’ registrations. Hence, the defendants’ adoption and use of the mark ‘PENTA’ in relation to its



corporate name on its products, cannot be considered to be honest.

67. Registration of 'VOLVO PENTA' as a composite mark, does not prevent the plaintiffs from claiming an injunction against the defendants' use of the mark 'PENTA'. 'PENTA' is an essential feature of the mark 'VOLVO PENTA'. Both VOLVO and PENTA are distinct and dominant and are liable for protection. The mark 'PENTA' has been used as a trademark. Further, the use on various invoices and purchase orders clearly establish the distinct use of the mark 'PENTA'.

68. This Court notes the submission of the plaintiffs that with respect to the mark VOLVO PENTA, PENTA is a sub-brand, which is entitled to equal protection. In this regard, reference may be made to the judgment in the case of *Pidilite Industries Limited Vs. Jubilant Agri & Consumer Products Limited, 2014 SCC OnLine BOM 50*, wherein, it has been held as follows:

“xxx xxx xxx

*12.5 As submitted by the Plaintiff, the fact that the Plaintiff is using the word 'MARINE' as a mark is further reinforced from the extract of the Plaintiff's product guide which is at pages 41 to 52 of the Plaintiff. This extract refers to 11 products of the Fevicol Division of the Plaintiff and contains a photograph of the actual container in which the products are sold. **It can be seen from the product guide that for all the products Fevicol is used as a house/umbrella mark in conjunction with individual product identification marks/brands like SPXPRESS; PL 111; PL 222; 707FW; DDL; SR998; 998FW; SR 50. If the Defendant's argument is to be accepted, each of the above products identification marks/brands will have to be regarded as descriptive. As correctly submitted by the Plaintiff, how such alpha numeric can be regarded as descriptive defies logic and that this reinforces the fact that these descriptions are product identification marks/brands which are used in conjunction with the house/umbrella marks/brands.***

xxx xxx xxx



12.7 As submitted by the Plaintiff, there is yet another fundamental fallacy in the argument of the Defendant viz. the assumption that the word 'MARINE' is descriptive of the use to which the Plaintiff's product is put. As set out in the Plaint and on the products themselves, the Plaintiff's product is a water resistant synthetic adhesive which is used for conditions where the product will be exposed to water or high humidity. The Defendant has assumed that 'MARINE' is synonymous with and/or indicative of water. This is not the case, as the Defendant itself has disclosed at page 83 of its reply affidavit, by relying on the Oxford Dictionary that the word 'MARINE' is understood as indicative of matters pertaining to the sea.

12.8 For the aforesaid reasons, I am of the view that the Plaintiff is using the word 'MARINE' as a trademark and not in a descriptive sense.

13. The Defendant has strenuously contended that the Defendant itself is using the word 'MARINE' in a descriptive sense. This contention of the Defendant is denied and disputed by the Plaintiff. The Plaintiff has drawn the attention of this Court to the photograph at page 99 of the Plaint. This photograph shows that in addition to the words "JIVANJOR" and the words 'MARINE PLUS', the Defendant has also used the words "MARINE' PLYWOOD SPECIAL ADHESIVE" & "HEAT AND WATERPROOF ADHESIVE". As submitted by the Plaintiff, this makes it clear that where the Defendant wishes to use words which are descriptive of its product, it has used the words "MARINE' PLYWOOD SPECIAL ADHESIVE" & "HEAT AND WATERPROOF ADHESIVE". Hence it is this description which is descriptive. **The words "MARINE PLUS" are not descriptive but are used as a mark. In other words, what the Defendant is trying to convey to the members of the trade and the public is that the product in question is sold under the 'MARINE' brand/sub-brand.**

xxx xxx xxx"

(Emphasis Supplied)

69. When the trademark of the defendant is identical with the registered trademark of the plaintiff and when the goods or services of the defendant are identical with the goods or services covered by the registered trademark, the Court shall presume that it is likely to cause confusion on the part of the public. (See: *Renaissance Hotel Holdings Inc. Versus B. Vijaya Sai and*



Others, (2022) 5 SCC 1)

70. Documentary evidence shows that the mark ‘PENTA’ has been used extensively across the world for nearly hundred years. In India, the mark has been in extensive and continuous use, for several years. The evidence on record shows extensive and continuous use in India since 1992. The various documents on record, which have been proved through oral testimony, establishing the immense goodwill and reputation of the marks, ‘PENTA’ and ‘VOLVO PENTA’ in India, are as follows:

- i. Invoices and purchase orders evidencing the sale of plaintiff no. 1’s products under the trademark ‘VOLVO PENTA’ – *Exhibit PW1/24*.
- ii. Invoices, purchase and consignment order, authorised dealer certificate evidencing the sale of plaintiff no. 1’s product under the mark ‘VOLVO PENTA’ in India, over the years, dating back to the year 1998 – *Mark J*.
- iii. Letters, invoices, purchase orders, consignment orders and documents which illustrate that plaintiff no. 1 has been carrying out business under the mark ‘VOLVO PENTA’ and ‘PENTA’ in India dating to back to 17th December, 1992 - *Exhibit PW/Mark 1/25*.

71. Further, the mark has been advertised and promoted in India through brochures, sponsorships and other diverse endeavours. Resultantly, the plaintiffs’ goods and services under the mark ‘PENTA’ and ‘VOLVO PENTA’ are known amongst the larger section of the public. Relevant documents, as exhibited, are as under:

- i. Original signed certificate showing sales figures of plaintiff no. 1’s product under the trademark ‘VOLVO PENTA’ in India - *Exhibit PW1/25A*



- ii. Advertisements and articles published in various magazines and newspapers in India bearing the trademark 'VOLVO PENTA' and illustrating use of the mark 'VOLVO PENTA' - *Exhibit PW1/30*
 - iii. Attested copy/certificate of the advertisement, publicity and marketing expenses of the VOLVO PENTA Division (Division of Volvo India Pvt. Ltd.) in between the years 1997 – 2010 - *Exhibit PW1/32*
 - iv. Extracts from the website of the plaintiffs' website, which talks about the products of the plaintiffs under the mark 'VOLVO PENTA' - *Exhibit PW1/33*
 - v. Printouts of photographs of the plaintiff no. 1's products being sold under the trademark 'VOLVO PENTA' - *Exhibit PW1/33A*
 - vi. Internet Extract from the plaintiffs' website evidencing that the trademark 'VOLVO PENTA' is used for various products - *Exhibit PW1/34A*
72. The goodwill and reputation of the plaintiffs' goods and services under the mark 'VOLVO PENTA' is also established from the fact that these marks are registered in various countries of the world and the products bearing these marks, are sold in various countries of the world, including, India. The documentary evidence on record, which has been proved during the course of evidence, is as under:
- i. Certified copy of the trademark registration certificate for the mark 'PENTA' bearing no. 1590421 in the Japanese Jurisdiction in favour of plaintiff no. 2 - *Exhibit PW1/20A*
 - ii. Translation of the certified copy of trademark registration certificate for the mark 'PENTA' in the Japanese jurisdiction in favour of plaintiff no.



2 – *Mark G*

iii. Certified copy of the trademark registration certificates for the mark ‘PENTA’ and ‘VOLVO PENTA’ respectively in UK in favour of plaintiff no. 2 - *Exhibit PW1/20C* and *Exhibit PW1/20D*

iv. Certified copy of trademark registration certificates for the marks ‘VOLVO PENTA’ and ‘PENTA’ respectively in USA in favour of plaintiff no. 2 - *Exhibit PW1/20E* and *Exhibit PW1/20F*

v. Certified copy of trademark registration certificate for the mark ‘VOLVO PENTA’ in the Japanese jurisdiction in favour of plaintiff no. 2 - *Exhibit PW1/20G*

vi. Translation of the certified copy of trademark registration certificate for the mark ‘VOLVO PENTA’ bearing registration no. 1016350 in the Japanese jurisdiction in favour of plaintiff no. 2 – *Mark H*

vii. Copy of articles and advertisements published in various magazines and newspapers which deal with the plaintiffs’ products under the mark ‘VOLVO PENTA’ - *Exhibit PW1/29*

73. Accordingly, Issue nos. 4 and 5 are decided in favour of the plaintiffs and against the defendants.

Issue no. 7: Whether the suit of the plaintiff is barred by the principles of delay, laches and acquiescence?

74. The burden of proving delay, laches and acquiescence, lay on the defendants. However, there is nothing on record to show that the suit by the plaintiffs is delayed in any manner or there is acquiescence on the part of the plaintiffs to the use of the mark ‘PENTA’ by the defendants. Even otherwise, legal precedents clearly state that mere delay does not amount to



acquiescence, unless accompanied by an act that indicates acceptance or encouragement of the infringing activities.

75. Thus, in the case of *Pankaj Goel Versus Dabur India Ltd., 2008 SCC OnLine Del 1744*, it has been held, as follows:

“xxx xxx xxx

21. As far as the Appellant's argument that the word MOLA is common to the trade and that variants of MOLA are available in the market, we find that the Appellant has not been able to prima facie prove that the said 'infringers' had significant business turnover or they posed a threat to Plaintiff's distinctiveness. In fact, we are of the view that the Respondent/Plaintiff is not expected to sue all small type infringers who may not be affecting Respondent/Plaintiff business. The Supreme Court in National Bell v. Metal Goods, (1970) 3 SCC 665 : AIR 1971 SC 898 has held that a proprietor of a trademark need not take action against infringement which do not cause prejudice to its distinctiveness. In Express Bottlers Services Pvt. Ltd. v. Pepsi Inc., (1989) 7 PTC 14 it has been held as under:—

“...To establish the plea of common use, the use by other persons should be shown to be substantial. In the present case, there is no evidence regarding the extent of the trade carried on by the alleged infringers or their respective position in the trade. If the proprietor of the mark is expected to pursue each and every insignificant infringer to save his mark, the business will come to a standstill. Because there may be occasion when the malicious persons, just to harass the proprietor may use his mark by way of pinpricks... The mere use of the name is irrelevant because a registered proprietor is not expected to go on filing suits or proceedings against infringers who are of no consequence... Mere delay in taking action against the infringers is not sufficient to hold that the registered proprietor has lost the mark intentionally unless it is positively proved that delay was due to intentional abandonment of the right over the registered mark. This Court is inclined to accept the submissions of the respondent No. 1 on this point... The respondent No. 1 did not lose its mark by not proceeding against insignificant infringers...”

xxx xxx xxx”

(Emphasis Supplied)



76. Reference may also be made to the judgment in the case of *Dr. Reddys' Laboratories Ltd. Versus Reddy Pharmaceuticals Limited, 2004 SCC OnLine Del 668*, wherein, it has been held as follows:

“xxx xxx xxx

16. *Learned counsel for the defendant has vehemently argued that the plaintiff is not entitled to this discretionary relief on account of its acquiescence and laches in objecting to the use of trade mark “Reddy” by the defendant company. It is submitted that since 1997 the plaintiff knew that the defendant is trading and functioning under the trade name “Reddy” but it never objected and to the contrary it kept on having business dealings with the defendant and appointed him a Delcredere Agent in April, 2003. This plea of the defendant is also prima facie untenable for the reason that till August, 2003 there was no clash of interests between the plaintiff and defendant company and in fact the defendant was engaged in advancing and promoting the business of the plaintiff company by acting as its agent for the sale of bulk drugs. The threat came in August, 2003 when the defendant introduced in the market its pharmaceutical preparations and thereby threatened the business interests of the plaintiff company. This move of the defendant was mala fide on the face of it as it was not manufacturing pharmaceutical preparations earlier but now it was trying to market the pharmaceutical preparations manufactured by others under the trade mark “Reddy”. The plaintiff immediately raised objections, meetings were held and when nothing came out the plaintiff rushed to the Court. As such there was neither any acquiescence nor any laches on the part of the plaintiff to object to the impugned action of the defendant. It cannot be said that the plaintiff has allowed the defendant to build a reputation or goodwill in trade name “Reddy” for use on pharmaceutical preparations. Moreover, the owners of trade marks or copy rights are not expected to run after every infringer and thereby remain involved in litigation at the cost of their business time. If the impugned infringement is too trivial or insignificant and is not capable of harming their business interests, they may overlook and ignore petty violations till they assume alarming proportions. If a road side Dhaba puts up a board of “Taj Hotel”, the owners of Taj Group are not expected to swing into action and raise objections forthwith. They can wait till the time the user of their name starts harming their business interests and starts misleading and confusing their customers.*

xxx xxx xxx”

(Emphasis Supplied)



77. As regards acquiescence, this Court in the case of ***Kabushiki Kaisha Toshiba (Supra)***, has held as follows:

“xxx xxx xxx

132. Acquiescence in legal terms refers to a situation where a party knowingly stands by, without raising any objection during the infringement of their rights, particularly when such inaction leads the infringing party to believe that the conduct is acceptable and can continue without opposition. Plaintiff’s actions of diligent enforcement of rights, demonstrated by issuance of a cease-and-desist notice immediately upon gaining knowledge of the infringing activities, and engaging in opposition and rectification proceedings against all infringing applications or registrations by the Defendant, clearly shows active resistance rather than acquiescence. In this case, the Defendant has not provided sufficient evidence to demonstrate any positive act of encouragement by the Plaintiff that could be construed as acquiescence. Without such evidence, the defence of acquiescence cannot prevail. The Defendant has failed to show any positive act of encouragement by the Plaintiff that would constitute acquiescence.

xxx xxx xxx”

(Emphasis Supplied)

78. Considering the aforesaid, issue no. 7 is decided in favour of the plaintiffs and against the defendants.

Issue no. 6 : Whether the plaintiffs are guilty of misrepresentation, suppression and making false statement as alleged in preliminary objections and if so to what effect?

79. As regards issue no. 6, the onus rested on the defendants, which the defendants have failed to prove. There is nothing on record to show that there is any misrepresentation or suppression on the part of the plaintiffs.

80. Accordingly, issue no. 6 is decided in favour of the plaintiffs and against the defendants.

Issue no. 8: Relief



81. Considering the facts and circumstances of the present case, plaintiffs are held entitled for decree of permanent injunction restraining the defendants, their principle officers, partners, servants, representatives and agents and any of them from doing business, providing any service, manufacturing, selling, offering for sale, advertising, directly or indirectly doing business, under the trademark 'PENTA'.
82. The plaintiffs are held entitled to actual costs recoverable from the defendants in terms of Commercial Courts Act, 2015. The plaintiffs are accordingly directed to file their bill of costs within a period of six weeks from the date of the judgment. As and when the same is filed, the matter will be listed before the Taxing Officer for computation of costs.
83. The suit is decreed in the above terms.
84. Decree sheet be drawn up.
85. Accordingly, the suit, along with pending applications, is disposed of.

**(MINI PUSHKARNA)
JUDGE**

JANUARY 20, 2025/ak/au