

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE SIDE

CRIMINAL WRIT PETITION NO. 62 OF 2021

Prateek Chandragupt Goyal
Age : 38 years, Occupation : Journalist
R/at. F-16, Mantri Avenue – 2, Panchvati,
Pashan Road, Pune - 4110078

.... **PETITIONER**

Vs.

1. State of Maharashtra,
through Vishrambaug Police Station,
Pune, Notice to be served on the Public
Prosecutor, High Court, Appellate Side,
Bombay
2. Mahendra Narsingh Rao Pisal
Original Complainant
Age : 54 years, Occu : Chief Administrative
Officer, Salal Group
R/at. 234, Sagardeep Apartment,
Sadashiv Peth, Pune – 411030

.... **RESPONDENTS**

Mr. Nikhil Sakhardande, Senior Advocate a/w Mr. Nipun
Katyal, Advocate for petitioner
Mr. S.R. Shinde, APP for respondent No.1- State
Ms. Neha Prashant, Advocate a/w Mr. Yashowardhan
Deshmukh, Advocate for Respondent No.2

CORAM : S.S. SHINDE &
MANISH PITALE, JJ.

RESERVED ON : 25.03.2021

PRONOUNCED ON : 20.04.2021

JUDGMENT (PER MANISH PITALE J.) :

Rule. Rule is made returnable forthwith. Heard finally with the consent of learned counsel appearing for rival parties.

2. By this writ petition, the petitioner is seeking quashing of First Information Report dated 16/09/2020 registered against him at Police Station Vishrambaug, Pune for offence under Section 103 of the Trade Marks Act, 1999. The petitioner contends that ingredients of the said offence are not made out in the facts and circumstances of the present case and that, therefore, the First Information Report deserves to be quashed.

3. The petitioner is a Journalist working with online news portal 'Newslaundry'. It is stated that he had earlier worked with other Media entities, including 'Sakal Times'. According to the petitioner, he specializes in investigative journalism and that he has been working in this field since the year 2012.

4. The aforesaid First Information Report has been registered against the petitioner at the behest of respondent No.2 (original informant), who is the Chief Administrative Officer of Sakal Group, which publishes newspapers in Marathi language called 'Sakal' and in English language called 'Sakal Times'. The respondent No.2 approached the police for registration of the First Information Report on 16/09/2020, claiming that the petitioner committed

offence under Section 103 of the aforesaid Act by falsely applying trade mark of Sakal Group in two articles authored by him and published in the aforesaid news portal called 'NewsLaundry'. The two articles were published on 27/03/2020 and 11/06/2020. In the said articles the registered trade mark of the Sakal Media Group and Sakal Times was shown with prominence at the top. In the article published on 27/03/2020, the heading was 'The future is bleak: Sakal Times staffers say they have been sacked in violation of Maharashtra order'. In the article published on 11/06/2020, the heading was 'They wanted to get rid of us : over 50 people laid off as Sakal Times closes down'. According to the respondent No.2 these were highly defamatory articles against the Sakal Media Group and that use of the official logos / trade mark of the Sakal Media Group and Sakal Times on these articles clearly amounted to falsely applying the said trade mark, thereby resulting in offence under Section 103 of the aforesaid Act. In the First Information Report, it was stated that the offence was committed from 27/03/2020 to 11/06/2020 and, as noted above, the First Information Report, stood registered after three months on 16/09/2020.

5. It is significant that prior to lodging the complaint, leading to registration of First Information Report, a legal notice dated 12/06/2020, was sent to the petitioner alleging that the Sakal Media Group was defamed by him and an amount of Rs.65,00,000/- was claimed from him. On 19/06/2020, the petitioner sent a reply to the said legal notice. On 03/09/2020, the Sakal Media Group filed a suit for injunction against the NewsLaundry Media Pvt. Ltd.

seeking an injunction against the said defendant and the petitioner for removing the said articles from the news portal. The said suit is pending.

6. The present writ petition was filed in October 2020, wherein notice was issued and it was directed that while the investigation shall continue, the chargesheet could be filed only with the leave of this Court. Thereafter, on 27/01/2021, this Court recorded statement made on behalf of the petitioner that he would appear before the Investigating Officer on a specific date and it was directed that the Investigating Officer shall not insist for production of laptop and hard disk by the petitioner. The said interim orders continued during the pendency of the writ petition.

7. Mr. Nikhil Sakhardande, learned Senior Counsel appearing along with Mr. Nipun Katyal, learned Counsel for the petitioner submitted that ingredients of the offence under Section 103 of the aforesaid Act were totally absent in the present case and that, therefore, the First Information Report deserved to be quashed. The learned Senior Counsel invited attention of this Court to Sections 101, 102 and 103 of the aforesaid Act, as also Sections 29 and 30 thereof to contend that the trade mark of Sakal Media Group was not applied by the petitioner in relation to either any goods or any services, thereby indicating that there was no question of falsely applying the trade mark. It was submitted that if the trade mark of Sakal Media Group was used by the petitioner in any manner to show that the news portal in which the articles of the petitioner

were published was itself shown as being a news portal of Sakal, then it could be said that the trade mark of Sakal Media Group had been falsely applied, so as to attract the ingredients of the offence under Section 103 of the aforesaid Act. Such being not the case in the present matter, it was submitted that the First Information Report had been wrongly registered against the petitioner.

8. It was further submitted that the trade mark of Sakal Media Group was shown in the articles written by the petitioner and published on the news portal 'Newslandry', only to indicate that those specific articles pertained to the Sakal Media Group. In these circumstances, there was no question of the said trade mark being falsely applied to any goods or services, so as to attract the ingredients of the aforesaid offence. Additionally and without prejudice to the aforesaid submissions, the learned Senior Counsel for the petitioner submitted that the action of the petitioner was protected as a nominative fair use of the trade mark of Sakal Media Group under Section 30(1)(a) and (b) of the aforesaid Act. Lastly, it was submitted that the respondent No.2 had already initiated civil proceedings in the form of a suit for injunction in respect of the said articles and, therefore, the grievance, if any, of the respondent No.2 would be addressed before the competent Civil Court in the said proceedings. On this basis, it was submitted that the First Information Report deserved to be quashed.

9. On the other hand, Ms. Neha Prashant, learned Counsel along with Mr. Yashowardhan Deshmuk, learned Counsel appearing

for contesting respondent No.2 submitted that the admitted facts in the present case demonstrated that ingredients of the offence under Section 103 of the aforesaid Act were *prima facie* made out and there was no question of quashing of the First Information Report. By referring to Section 103 of the aforesaid Act, the learned Counsel appearing for Respondent No.2 submitted that in the present case, the petitioner had clearly falsely applied the registered trade mark of Sakal Media Group by prominently showing the mark on articles published on the news portal 'Newslaundry'. It was submitted that when the word 'Sakal' was clicked on online search, it led to the said articles authored by the petitioner and published on the news portal 'Newslaundry', thereby demonstrating that the offence under Section 103 of the said Act was indeed committed in the present case. The learned Counsel emphasized upon Section 102(2)(b) of the said Act in support of the said contention and submitted that since Sakal Media Group and the news portal 'Newslaundry' were in the same segment of providing news services, the offence was clearly committed in the facts and circumstances of the present case.

10. As regards the alternative submission regarding nominative fair use raised on behalf of the petitioner, it was submitted that the petitioner had no right to claim any such protection because the use of the registered trade mark of Sakal Media Group prominently in the said articles unfairly projected the Sakal Media Group, thereby causing loss to its image and finances, demonstrating that the petitioner was not entitled to claim nominative fair use in the present case. In this regard, the learned

Counsel for the respondent No.2 relied upon judgment of the Madras High Court in the case of **Consim Info Pvt. Ltd. Vs. Google India Pvt. Ltd. and Ors. 2010(6) CTC 813** and judgment of Delhi High Court in **Hawakins Cookers Ltd. Vs. Murugan Enterprises 2012 SCC OnLine Del 2118**. It was further submitted that merely because the respondent No.2 had filed a Civil suit for injunction against Newslaundry Media Private Limited, it could not result in the criminal proceedings being terminated at this stage. On this basis, it was submitted that the writ petition ought to be dismissed.

11. In order to appreciate the rival contentions raised in the present petition, it would be necessary to refer to Sections 101, 102 and 103 of the aforesaid Act, which read as follows:

“101. Meaning of applying trade marks and trade descriptions – (1) A person shall be deemed to apply a trade mark or mark of trade description to goods or services who –

(a) applies it to the goods themselves or uses it in relation to services; or

(b) applies it to any package in or with which the goods are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture; or

(c) places, encloses or annexes any goods which are sold, or exposed for sale, or had in possession for sale or for any purpose of trade or manufacture, in or with any package or other thing to which a trade mark or mark or trade description has been applied, or

(d) uses a trade mark or mark or trade description in any manner reasonably likely to lead to the belief that the goods or services in connection with which it is used are designated or described by that trade mark or mark or trade description; or

(e) in relation to the goods or services uses a trade mark or trade description in any sign, advertisement, invoice, catalogue, business letter, business paper, price list or other commercial document and goods are delivered or services are rendered to a person in pursuance of a request or order made by reference to the trade mark or trade description as so used.

(2) A trade mark or mark or trade description shall be deemed to be applied to goods whether it is woven in, impressed on, or otherwise worked into, or annexed or affixed to, the goods or to any package or other thing.

102. Falsifying and falsely applying trade marks :-

(1) A person shall be deemed to falsify a trade mark, who, either, -

(a) without the assent of the proprietor of the trade mark makes the trade mark or deceptively similar mark; or

(b) falsifies any genuine trade mark, whether by alteration, addition, effacement or otherwise

(2) A person shall be deemed to falsely apply to goods or services a trade mark who,

without the assent of the proprietor of the trade mark –

(a) applies such trade mark or a deceptively similar mark to goods or services or any package containing goods;

(b) uses any package bearing a mark which is identical with or deceptively similar to the trade mark of such proprietor, for the purpose of packing, filling or wrapping therein any goods other than the genuine goods of the proprietor of the trade mark.

(3) Any trade mark falsified as mentioned in sub-section (1) or falsely applied as mentioned in sub-section (2), is in this Act referred to as a false trade mark.

(4) In any prosecution for falsifying a trade mark or falsely applying a trade mark to goods or services, the burden of proving the assent of the proprietor shall lie on the accused.

103. Penalty for applying false trade marks, trade descriptions, etc. –

Any person who –

(a) falsifies any trade mark; or

(b) falsely applies to goods or services any trade mark; or

(c) makes, disposes of, or has in his possession, any die, block, machine, plate or other instrument for the purpose of falsifying or of being used for falsifying, a trade mark; or

(d) applies any false trade description to goods or services; or

(e) applies to any goods to which an indication of the country or place in which they were made or produced or the name and address of the manufacturer or person for whom goods are manufactured is required to be applied under section 139, a false indication of such country, place, name or address; or

(f) tampers with, alters or effaces an indication of origin which has been applied to any goods to which it is required to be applied under section 139; or

(g) causes any of the things above-mentioned in this section to be done, shall, unless he proves that he acted, without intent to defraud, be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees :

Provided that the Court may, for adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or a fine of less than fifty thousand rupees.”

12. It would also be relevant to refer to the definitions of ‘goods’, ‘service’ and ‘trade mark’, as provided in the said Act. The said definitions read as follows:

“goods” means anything which is the subject of trade or manufacture;

“service” means service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial matters such as banking, communication, education, financing, insurance, chit funds, real estate, transport, storage, material treatment, processing, supply of electrical or other energy, boarding, lodging, entertainment, amusement, construction, repair, conveying of news or information and advertising;

(za) “trade description” means any description, statement or other indication, direct or indirect,

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(i) as to the number, quantity, measure, gauge or weight of any goods; or

“trade mark” means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and -

(i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and”

13. A perusal of Section 101 of the said Act shows that a person is deemed to have applied a trade mark to goods or services, who applies it to the goods themselves or uses it in relation to

services. Section 101(1)(e) provides that a trade mark will be deemed to have been applied in relation to goods or services when it is used in any sign, advertisement, invoice, catalogue, business letter, business paper, price list or other commercial document and goods are delivered or services are rendered to a person in pursuance of a request or order made by reference to the trade mark or trade description so used. Thus, such a trade mark would have to be used in relation to such documents.

14. Section 102(2)(b) of the aforesaid Act provides that a person shall be deemed to falsify a trade mark who uses any package bearing a mark which is identical with or deceptively similar to the trade mark of such proprietor, for the purpose of packing, filling or wrapping therein any goods other than the genuine goods of the proprietor of the trade mark. Section 103(b) of the aforesaid Act provides that any person who falsely applies the goods or services to any trade mark shall, unless he proves that he acted without intent to defraud, be punishable with imprisonment for a term not less than six months, but which may extend to three years and with fine which is not less than Rs.50,000/- and can extend up to Rs.2,00,000/-.

15. The real question is whether the two articles written by the petitioner on 27/03/2020 and 11/06/2020, wherein the registered trade mark of Sakal Media Group was printed, could fall within the definition of 'goods' or 'service', as defined in the above quoted provisions of the aforesaid Act. If so, whether the petitioner

had used the said registered trade mark of Sakal Media Group in such a manner that under Sections 101, 102 and 103 of the aforesaid Act, he could be said to have falsely applied the trade mark to 'goods' or 'services'.

16. The articles authored by the petitioner and published in the news portal 'Newslaundry' neither qualify as goods nor as service as defined under Section 2(j) and 2(z) of the aforesaid Act. No doubt, the mark shown in the two articles is indeed the 'trade mark' of Sakal Media Group under Section 2(z)(b) of the aforesaid Act, but, the said mark being shown in the articles cannot be said to be in the context of either 'goods' or 'services'. It would have been a completely different matter if the petitioner had used the registered trade mark of Sakal Media Group to portray as if the news portal itself was that of Sakal Media Group. It is an admitted position that the articles were published in the online news portal 'Newslaundry' and there was no suggestion that the said news portal itself was that of 'Sakal'. Merely because an online search for the word 'Sakal' led to the aforesaid articles of the petitioner published in the news portal 'Newslaundry', does not mean that the registered trade mark of Sakal Media Group was falsely applied to goods or services by the petitioner. At worst, it could be said that such an online search leading to the aforesaid articles might be subject matter of an injunction suit at the behest of Sakal Media Group due to the contents of the said articles, but, that falls within the realm of a civil dispute that could be raised by the respondent No.2. In fact, the respondent No.2 did issue Notice on behalf of the Sakal Media

Group and chose to file a suit for injunction before the competent Civil Court, which is admittedly pending.

17. But, the question for consideration in this petition is, as to whether an offence could be registered against the petitioner under Section 103 of the aforesaid Act. In order to do so, at least, *prima facie*, the ingredients of the offence ought to be demonstrated. But, as noted above, on proper interpretation of Sections 101, 102 and 103 of the aforesaid Act, it becomes clear that in the facts and circumstances of the present case, mere use of the registered trade mark of the Sakal Media Group in articles authored by the petitioner and published by the news portal 'Newslaundry', do not fit into the definition of false application of the trade mark in relation to goods or services. Therefore, in the absence of ingredients of the offence being made out, even on admitted facts, the First Information Report could not have been registered.

18. Since we are of the opinion that on a bare reading of the relevant provisions of the said Act quoted above and applying them to the admitted facts in the present case, ingredients of the Act of the offence under Section 103 of the said Act are not made out, it would not be necessary to go into alternative contention raised on behalf of the petitioner. It pertains to nominative fair use of the trade mark under Section 30 of the said Act. In this regard, the learned Counsel appearing for the respondent No.2 has placed reliance on the judgment of the Madras High Court in the case of **Consim Info Pvt. Ltd. Vs. Google India Pvt. Ltd. and Ors.** (supra) and that of the Delhi High Court in the case of **Hawakins Cookers**

Ltd. Vs. Murugan Enterprises (supra). But, a perusal of the said judgments would show that they have been rendered in the context of civil suits filed by the plaintiffs therein, being suits for injunction against the defendant so that the defendant is restrained from using the trade mark in question. As noted above, the respondent No.2 has already initiated a suit for injunction against Newsland India Private Limited and the petitioner, which is pending. We are also informed that an order of temporary injunction is passed in favour of respondent No.2, which takes care of the anxiety of the said respondent regarding such depiction of its mark by the petitioner in future, during pendency of the said suit. We refrain from making any observations with regard to the said alternative contention raised on behalf of the petitioner as the same would be subject matter of the pending suit initiated by the respondent No.2.

19. It is significant that when ingredients of the alleged offence are not made out by the allegations made and the admitted facts in the case, it would be futile to allow further proceedings in such matters. In the case of **State of Harayana Vs. Bhajanlal 1992 (Suppl.) 1 SCC 395**, the Hon'ble Supreme Court has laid down that when offence is not made out on a bare reading of the allegations and proceeding on the basis that such allegations are true, the criminal proceedings and First Information Report deserve to be quashed.

20. Hence, we are of the opinion that the petitioner has made out a case for this Court to exercise jurisdiction under Article 226 of

the Constitution of India and Section 482 of the Criminal Procedure Code, to grant the prayer made in the writ petition.

21. Accordingly, the writ petition is allowed in terms of prayer clause (a), which reads as follows:

“for a Writ of Certiorari or a Writ in the nature of Certiorari and for a Writ of Mandamus or a Writ in the nature of Mandamus or any other appropriate Writ, direction or order calling for the records and proceedings of the said FIR dated 16th September, 2020 and bearing No. 0675 registered by the Vishrambaug Police Station at Pune and after going through the validity, propriety and legality thereof be pleased to quash and set aside the said FIR (Exhibit “A” hereto)”

22. Rule is made absolute in above terms.

(MANISH PITALE, J.)

(S.S. SHINDE, J.)