

HIGH COURT OF UTTARAKHAND AT NAINITAL

Criminal Misc Application No. 118 of 2025 03 June, 2025

M/s Patanjali Ayurved Ltd. & Others

--Petitioners

Versus

State of Uttarakhand

--Respondent

Presence:

Mr. Piyush Garg, learned counsel for the petitioners.

Mr. Deepak Bisht, learned Deputy Advocate General for the State.

Hon'ble Vivek Bharti Sharma, J.

This criminal misc. application is filed by the petitioners/accused under Section 528 of B.N.S.S. for setting-aside the summoning order dated 16.04.2024 and to quash the proceedings in Criminal Case No.3892 of 2024 titled "State through Ayurvedic Yunani Adhikari vs. Swami Ramdev", pending before the learned Chief Judicial Magistrate, Haridwar against the petitioners for the offence punishable under Sections 3, 4 & 7 of the Drugs and Magical Remedies (Objectionable Advertisements) Act, 1954 (referred as '1954 Act,' hereinafter) alongwith all the proceedings emanating therefrom.

- 2. Admit the petition.
- 3. The brief facts of the case are that a Complaint



Case No.3892 of 2024 was filed by the State to summon, try and punish the petitioners/accused for the offence punishable under Sections 3 & 4 of 1954 Act read with Rule 6 thereof (*Annexure SA 1*).

this complaint, a letter dated 11.02.2022 was received from Ayush Mantralaya, Bharat Sarkar that the medicines Madhugrit and Madhunashini manufactured by petitioner no.2 is promoted by alleged misleading advertisements; that, similarly, letter dated 15.04.2022 of Ayush Mantralaya, Bharat Sarkar was also received stating that the medicines Divya Lipidom Tablet, Divya Livogrit Tablet and Divya Livamrit Advance Tablet, Divya Madhunashini Vati and Divya Madhugrit Tablet manufactured by the petitioner no.2/accused are being promoted by alleged misleading advertisement; that, the petitioners firm was directed to remove this alleged misleading advertisement; that, vide letter 07.05.2022 the petitioner no.2 informed the State that, in the light of the judgment of Bombay High Court dated 11.02.2019 in Writ Petition No. 289 of 2019, the action cannot be taken against the petitioners/accused as rule 170 of the Act has been stayed and further informed that the alleged advertisements have been withdrawn; that, vide letter dated 27.05.2022, the petitioner no.2 firm was directed to remove the alleged misleading advertisements



for medicines namely Madhunashini, Madhugrit, Mukta Vati Extra Power and Swasari Gold manufactured by it; that, vide letter dated 02.07.2022, the petitioner no.1 was directed to remove the alleged misleading advertisements for Patanjali Drishti Eye Drop manufactured by it; that, thereafter, several other letters were sent to the petitioner firm for removing the alleged misleading advertisements for the above medicines manufactured by it; that, on 29.01.2024 Divya BPgrit Tablet was advertised from Twitter account of Patanjali Ayurved @PypAyurved; that, similarly, on 06.02.2024 Divya Cysto Grid tablet was advertised from the same Twitter account to mislead that it may cure cancer; that on 17.02.2024 Medohar Vati was also advertised from the same Twitter handle to treat the obesity and so on so forth; that, the petitioners/accused gave an undertaking in the Hon'ble Supreme Court in Writ Petition No.645 of 2022 that there shall not be any violation of any law(s) especially relating to advertising or branding of products manufactured and marketed by it and, further, that no casual statements claiming medicinal efficacy or against any system of medicine will be released to the media in any form.

Alongwith this complaint, the correspondence done by the *Ayush Mantralaya*, *Bharat Sarkar* with the State Government and by State with the petitioners were



also filed with some photocopies of alleged advertisements with pen drive(s).

- 4. Heard.
- 5. Learned counsel for the petitioners/accused would submit that in the Complaint Case No. 3892 of 2024, the cognizance was taken by the impugned order on 16.04.2024 after the period of limitation for taking cognizance since, as per the complaint the offence was committed prior to 11.02.2022.

He would further submit that as per Section 7(a) of 1954 Act, the first offence was punishable with imprisonment of six months and for one year, in case of repeated offence; that, as per Section 468(2)(b) of Cr.P.C., the cognizance of the offence punishable with imprisonment of one year, can be taken only within a period of one year, therefore, the impugned order is bad in the eyes of law, unsustainable and is liable to be quashed.

6. Learned counsel for the petitioners/accused would further submit that as per Section 8 of 1954 Act, only authorized person could enter and seize the objectionable material constituting the offence and as per sub-section 3 of Section 8 of 1954 Act, objectionable material, if seized, constituting the offence had to be



placed before the Magistrate, however, no entry or seizure was ever made by any authorized person as per the scheme of "1954 Act", consequently, nothing was placed before the Magistrate, hence, straightaway no complaint case could have been filed.

He would further submit that the impugned cognizance order is non-speaking as no reason is assigned by the trial court that what were the evidence of commission of alleged offence by petitioner and how petitioner nos. 3 & 4 are liable to be prosecuted for these offences on which the cognizance is taken; that, the cognizance order merely says that the complaint is filed by the **Senior Food Security Inspector** under Sections 3, 4 & 7 of "1954 Act" and no evidence under Section 200 of Cr.P.C. is needed, hence, the accused be summoned to face the trial; that, the use of words "Senior Food Security Officer" in the cognizance order reveals total non-application of mind as no complaint case for any alleged offence punishable under "1954 Act" could have been filed by Senior Food Security Officer.

7. Learned counsel for the petitioners/accused would further submit that as per Section 9 of "1954 Act" any Director or functionary of the Company can be prosecuted only if he was responsible for the acts and



affairs of the Company which led to the commission of offence, however, such allegation is neither made in the complaint nor the impugned cognizance order says that the petitioner nos. 3 & 4 were responsible for the affairs of the Company that led to the commission of alleged offence.

He would rely upon a judgment of Hon'ble Supreme Court in the case of 'Sunil Bharti Mittal vs. Central Bureau of Investigation', (2015) 4 SCC 609, whereby the Hon'ble Supreme Court has said that the trial court has to observe in the order by which the cognizance is taken that Director or functionary of the Company was responsible for the affairs of the Company and its working that led to the commission of the offence.

8. Learned counsel for the petitioners/accused would further submit that the Hon'ble Supreme Court in its order dated 26.03.2025 in the case of 'Indian Medical Association & Anr. Vs. Union of India & Others' in Writ Petition (Civil) No. 645 of 2022 has observed that as soon as complaints are received through Grievance Redressal Mechanism or otherwise, the same shall immediately be forwarded to concerned Officers authorized under Section 8(1) of "1954 Act" to take action under the said provision; that, if such authorized officer



finds that there is contravention of provisions of "1954 Act", he shall, apart from taking action under Section 8 of "1954 Act", forthwith set criminal law in motion by lodging the complaint with jurisdictional police station so that an F.I.R. can be registered and criminal law is set in motion; that, therefore, in view of above observations of the Apex Court, only the F.I.R. could have been lodged for any offence under "1954 Act" as there is no provision in "1954 Act" for any officer or functionary of the State to file the complaint case under "1954 Act".

- 9. The learned counsel for the petitioners/accused would further submit that Ministry of Ayush had constituted Technical Review Committee (I.T.R.C.) for Covid-19 on 28.10.2020 for patents of Ayurvedic medicines and in Lok Sabha, Minster of Ayush 10.02.2023 had stated on that Committee has recommended CORONIL Tablet for prevention of Covid-19; that, therefore, there was neither false claim nor misleading assertion by petitioner firm.
- 10. Per contra, learned State counsel would submit that this complaint case was filed prior to the judgment of the Hon'ble Supreme Court 'Indian Medical' Association' (supra), however, he would fairly concede



that in the impugned order, the summoning was done on the report of the Senior Food Security Officer, however, that may be a typographical mistake.

11. Learned State counsel would submit that the petitioner nos. 3 & 4 are the owners of petitioner firm nos. 1 & 2; that, the Hon'ble Supreme Court in its order dated 19.03.2024 in *Writ Petition No. 645 of 2022* has observed that the petitioner nos. 3 & 4 have committed the contempt of court for giving the advertisements and statements after having given undertaking and the Hon'ble Supreme Court gave various warnings to the petitioners.

He would further submit that misleading promotional videos were uploaded on the Twitter handle @PypAyurved on 15.03.2024, 29.03.2024, 17.02.2024 also and so on so forth. However, when the attention of the learned Deputy Advocate General for the State was drawn to the complaint (Annexure SA 1) then he fairly conceded that it is nowhere stated in the complaint that the alleged promotional videos or the advertisements were false in respect of the efficacy of those medicines.

He further conceded that it has not been alleged in the complaint that how the alleged advertisements or the drugs allegedly manufactured by



the petitioners were misleading and it is also not alleged in complaint case that the advertisements or promotional videos of the drugs were for what disease, disorder or condition specified in the Schedule of the "1954 Act".

It would be opportune and pertinent for judicious examination of matter in issue to reproduce Sections 3, 4 & 7 of "1954 Act". It reads as under:-

- "3. Prohibition of advertisement of certain drugs for treatment of certain diseases and disorders.—Subject to the provisions of this Act, no person shall take any part in the publication of any advertisement referring to any drug in terms which suggest or are calculated to lead to the use of that drug for—
 - (a) the procurement of miscarriage in women or prevention of conception in women; or
 - (b) the maintenance or improvement of the capacity of human beings for sexual pleasure; or
 - (c) the correction of menstrual disorder in women; or
 - (d) the diagnosis, cure, mitigation, treatment or prevention of any disease, disorder or condition specified in the Schedule, or any other disease, disorder or condition (by whatsoever name called) which may be specified in the rules made under this Act:

Provided that no such rule shall be made except—

- (i) in respect of any disease, disorder or condition which requires timely treatment in consultation with a registered medical practitioner or for which there are normally no accepted remedies; and
- (ii) after consultation with the Drugs Technical Advisory
 Board constituted under the Drugs and Cosmetics Act,
 1940 (23 of 1940), and if the Central Government
 considers necessary, with such other persons having
 special knowledge or practical experience in respect of
 Ayurvedic or Unani systems of medicines as that
 Government deems fit.



- 4. Prohibition of misleading advertisements relating to drugs.—
 Subject to the provisions of this Act, no person shall take any part in
 the publication of any advertisement relating to a drug if the
 advertisement contains any matters which—
 - (a) directly or indirectly gives a false impression regarding the true character of the drug; or
 - (b) makes a false claim for the drug; or
 - (c) is otherwise false or misleading in any material particular."

And Section 7 reads as under:-.

- "7. Penalty.—Whoever contravenes any of the provisions of this Act or the rules made thereunder shall, on conviction, be punishable—
 - (a) in the case of the first conviction, with imprisonment which may extend to six months, or with fine, or with both;
 - (b) in the case of a subsequent conviction, with imprisonment which may extend to one year, or with fine, or with both."

It is pertinent to note that five judge Bench of the Hon'ble Supreme Court in its judgment 'Humdard Dawakhana (Wakf), Lal Kuan, Delhi and Another vs. Union of India and Others', AIR 1960 SC 554 has held that the words in Section 3(d) of the "1954 Act" "or any other disease, disorder or condition which may be specified in Rules made under this Act" are ultravires.

12. Hence, in order to bring home the offence against any person as per Sections 3 & 4 of the "1954 Act", it is imperative to allege in specific words that how the punitive offence is made out against the accused



specific persons. That is to say, there should be allegation that for diagnosis, cure, mitigation, treatment or prevention of what disease, disorder or condition as in Schedule to "1954 Act", the specified advertisement was suggested. There should be specific allegation that what false impression about the true character of the drug or false claim about drug was made or what misleading or falsity was there in the alleged advertisement. In absence of such specific allegation in the Complaint Case or F.I.R., the prosecution shall be a futile exercise. It is important to observe that with the Complaint Case no report of any expert in the field, is filed to say that the advertisement was false or misleading.

It would not be out of place to observe that any telecasting promotional videos or publishing the advertisements for any product, may that be the drug, would, otherwise, not have been an offence in absence of Sections 3, 4 & 7 of "1954 Act". Therefore, it was necessary for the complainant/State to make all allegations constituting the offence punishable under Sections 3, 4 & 7 of "1954 Act". As there is no allegation that how the advertisement was false and misleading so as to constitute the offence punishable under Sections 3, 4 & 7 of "1954 Act" then there was no occasion for the



trial court to take the cognizance and summon the petitioners to face trial.

13. It would not be out of place to note that in the impugned order dated 16.04.2024, there is not even a single observation which may reflect the application of judicial mind by the trial court while taking the cognizance and summoning the accused persons.

The order of cognizance reads as under:-

'दिनांक 16.04.2024

आज यह परिवाद परिवादी जिला आयुर्वेदिक एवं यूनानी अधिकारी/औषधि निरीक्षक आयुर्वेद, हरिद्वार द्वारा ई—फाईलिंग करते हुए भौतिक रूप से न्यायालय के समक्ष अभियुक्तगण स्वामी रामदेव शिष्य स्वामी शंकर देव, आचार्य बालकृष्ण शिष्य स्वामी शंकर देव, मैसर्स दिव्य फार्मेसी एवं मैसर्स पतंजिल आयुर्वेद लिमिटेड, के विरुद्ध अन्तर्गत धारा—3, 4 एवं धारा 7 इंग्स मैजिक रेमेडीज (ऑब्जेक्शनेबल एडवरटाइजमेन्ट) एक्ट, 1954, के तहत प्रस्तुत करते हुए कथन किया गया कि परिवादी लोक सेवक है एवं लोक सेवक की हैसियत से उसके द्वारा परिवादी संस्थित किया गया है एवं परिवाद पत्र एवं उपलब्ध साक्ष्यों के आधार पर अभियुक्त के विरुद्ध उपरोक्त धाराओं के तहत संज्ञान लेकर अभियुक्त को न्यायालय तलब करने की प्रार्थना की गयी।

<u>परिवादी को सुना तथा परिवादपत्र व परिवादपत्र के साथ प्रस्तुत</u> अभियोजन प्रपत्रों का परिशीलन किया।

धारा 190(1)(ए) दण्ड प्रक्रिया संहिता के अन्तर्गत अपराध का प्रसंज्ञान लिया जाता है। परिवाद के रूप में सी०आई०एस० तथा सम्बन्धित पंजिका में दर्ज किया जाये। परिवाद दर्ज होने के उपरांत मध्यान्तर बाद धारा 200 द०प्र०सं० के बयान हेतु पत्रावली प्रस्तुत की जाये।

> (राहुल कुमार श्रीवास्तव) मुख्य न्यायिक मजिस्ट्रेट, हरिद्वार''

> > (Emphasis supplied)



This cognizance order merely says that on the basis of the complaint and available evidences, the cognizance under Section 190(1)(a) of Cr.P.C. is taken. However, this cognizance order does not specify that what were the evidences available to the trial court to take the cognizance in the impugned order.

14. Similarly, the summoning order passed on the same day is also devoid of application of judicial mind. It reads as under:-

"पूर्वोक्त संदर्भित प्रावधान के अनुसार परिवादी वरिष्ठ खाद्य सुरक्षा अधिकारी लोक सेवक है के द्वारा लिखित परिवाद प्रस्तुत किया गया है। इस कारण धारा 200 द०प्र०सं० के तहत बयान से उन्मुक्ति दी जाती है। परिवादी के विद्वान अधिवक्ता / अभियोजन अधिकारी के द्वारा यह तर्क प्रस्तुत किया गया है कि परिवाद पत्र के साथ दस्तावेजी साक्ष्य प्रस्तुत किया गया है, जिनके आधार पर धारा 3, 4 एवं धारा 7 ड्रग्स मैजिक रेमेडीज (ऑब्जेक्शनेबल एडवरटाइजमेन्ट) एक्ट, 1954 के तहत, धारा 200 द०प्र०सं० परिवादी के दस्तावेजी साक्ष्य के प्रकाश में अभियुक्त के विरुद्ध पर्याप्त कार्यवाही का आधार है तथा धारा 3, 4 एवं धारा 7 ड्रग्स मैजिक रेमेडीज (ऑब्जेक्शनेबल एडवरटाइजमेन्ट) एक्ट, 1954 में जांच / विचारण हेतु तलब हो। पत्रावली वास्ते हाजिरी मुल्जिम दिनांक 10.05. 2024 को पेश हो। आदेश NJDG पोर्टल पर अपलोड हो।"

The summoning order merely says that the prosecution officer argued that on the basis of the documentary evidence filed alongwith the complaint there is enough ground to proceed against the petitioners/accused for the offence under Sections 3, 4 & 7 of 1954 Act, therefore, the accused persons should be summoned for the trial. **After stating the argument of**



the prosecution, the trial court did not advert to the evidence, if any, filed with the complaint case. The trial court even did not state its satisfaction, that the allegation if proved would constitute an offence. The trial court even did not observe if there was any allegation in the Complaint Case that the petitioner nos. 3 & 4 played any role in commission of offence alleged. Instead, the trial court without application of mind without explicitly and summoning the petitioners, straightaway fixed the matter for presence of the accused persons on 10.05.2024.

It is important proposition of law that sine-quanon for taking cognizance of offence is application of judicial mind by Magistrate. Magistrate has to form an opinion that, on the basis of the evidence placed in charge-sheet or complaint, commission of any offence is made out. A person ought not to be dragged into court merely because a complaint has been filed. There is no allegation in Complaint Case, that what was false and misleading in the alleged advertisement or promotional videos. The absence of allegation of falsity and the absence of the averment of the manner having tendency to mislead, does not make out any offence punishable under Section 7 of "1954 Act".



It is important to observe that the annexure SA-3 to supplementary affidavit says that the medicine CORONIL was even recommended by I.T.R.C. of Government of India and that was admitted by the Minster of Ayush in Lok Sabha on 10.02.2023. This fact has not been contested by learned State counsel.

15. The Hon'ble Supreme Court in its judgment 'Sunil Bharti Mittal vs. Central Bureau of Investigation', (2015) 4 SCC 609 in para no. 44 has laid down the principle of vicarious liability of Directors, Managers etc. of the Corporate body. It reads as under:-

"44. When the company is the offender, vicarious liability of the Directors cannot beimputed automatically, in the absence of any statutory provision to this effect. One such example is Section 141 of the Negotiable Instruments Act, 1881. In Aneeta Hada", the Court noted that if a group of persons that guide the business of the company have the criminal intent, that would be imputed to the body corporate and it is in this backdrop, Section 141 of the Negotiable Instruments Act has to be understood. Such a position is, therefore, because of statutory intendment making it a deeming fiction. Here also, the principle of "alter ego", was applied only in one direction, namely, where a group of persons that guide the business had criminal intent, that is to be imputed to the body corporate and not the vice versa. Otherwise, there



has to be a specific act attributed to the Director or any other person allegedly in control and management of the company, to the effect that such a person was responsible for the acts committed by or on behalf of the company."

In para no. 48 of this judgment, the Hon'ble Apex Court has discussed the judicial act of taking cognizance by the court. It reads as under:-

"48. Sine-qua-non for taking cognizance of the offence is the application of mind by the Magistrate and his satisfaction that the allegations, if proved, would constitute an offence. It is, therefore, imperative that on a complaint or on a police report, the Magistrate is bound to consider the question as to whether the same discloses commission of an offence and is required to form such an opinion in this respect. When he does so and decides to issue process, he shall be said to have taken cognizance. At the stage of taking cognizance, the only consideration before the court remains to consider judiciously whether the material on which the prosecution proposes to prosecute the accused brings out a prima facie case or not."

The perusal of the impugned order shows that learned Chief Judicial Magistrate has not applied his mind on these aspects. Rather, after noting the submission of the prosecution, straightaway fixed the case for appearance of petitioners without giving any



reason. Such an order of taking cognizance and summoning cannot be sustained.

- 16. It is also most important to note that in this impugned order, the trial court has observed that the complainant was Senior Food Security Officer, whereas the complaint could not have been filed by the Senior Food Security Officer. It again shows the casual manner in which the impugned order was passed by the trial court.
- 17. It would be pertinent to revisit Section 7 of 1954 Act, which says that the contravention of any provision of the Act (including Sections 3 & 4 of 1954 Act) shall be punishable on first conviction which may extend to six months, or with fine or with both and for subsequent conviction, with imprisonment which may extend to one year, or with fine, or with both.

Section 468 of Cr.P.C. stipulates that the period of limitation to take cognizance of an offence shall be one year if the offence is punishable with imprisonment for a term not exceeding one year.

As per the complaint case filed in court, the most of the offences were allegedly committed by the petitioners prior to 15.04.2023 that means more than one year before the date when cognizance was taken.



Therefore, no cognizance of these offences could have been taken by the trial court in the light of Section 468 of Cr.P.C.. But the trial court has taken the cognizance for all the offences including the offence cognizance of which could not be taken because of limitation, by a composite order. Therefore, the impugned order of cognizance dated 16.04.2024 is bad in law and cannot be sustained.

- 18. Perusal of the list of witnesses also shows that there is no digital evidence to be proved as per law because in the list of documents there is no mention of the Certificate as issued under Section 65B of the Indian Evidence Act.
- 19. It is also important to note that Section 219(1) of Criminal Procedure Code says that when a person When a person is accused of more offences than one of the same kind committed within the space of twelve months from the first to the last of such offences, whether in respect of the same person or not, he may be charged with, and tried at one trial for, any number of them not exceeding three.

Perusal of the Complaint Case (Annexure SA 1) shows that the first alleged offence was committed on or before 11.02.2022. Similarly, last alleged offence was committed in April 2024. Further, perusal of the



Complaint Case shows that approximately 20 alleged offences, as stated in the Complaint Case (Annexure SA 1) and paragraph no.37 of the counter affidavit, were committed by the petitioners.

It is pertinent to note that though these alleged offences may be of same kind but are distinctive and not connected to each other so as to form the same transaction, therefore, in the considered view of this Court, the composite order of taking cognizance and summoning for more than three offences spread over the period of more than two years is not permissible under the law. Hence, this composite order of taking cognizance dated 16.04.2024 is unsustainable and liable to be set-aside on this count also.

20. The Hon'ble Supreme Court in its judgment 'State of Haryana & Others vs. Bajan Lal And Others', (1992) SCC (Cri) 426 has laid down the proposition of law thereby illustrating the circumstances in which the court can exercise its power to prevent the abuse of process of the court. Therefore, where the allegations made in the first information report or the complaint, even if they are taken at their face and accepted in their entirety do not make out a case against the accused, then a person should not be dragged in criminal trial merely for the reason that a complaint has been filed. In present



case, as observed above, there is no allegation in the Complaint Case filed in the court of Magistrate that how and what was false in the alleged advertisement. Rather, there is allegation averment at all that the alleged advertisements it false. Though, is alleged advertisements were misleading but there is no description of the incidents or manner how the advertisements were misleading. Merely writing letter to the petitioner firm that the advertisement should be removed without stating specifically that the claim made in the advertisements were false, does not give reasons to prosecute the petitioner firm, that too, when there is no report of experts about the falsity or of its being misleading.

It is inalienable fundamental right of every Indian citizen to carry on any occupation, trade or business under Article 19(1) of the Constitution of India subject to reasonable restrictions imposed under the law. The fundamental right to carry on any trade or business is with right to promote his business or product by lawful means. If State imposes any restriction on this right and violation thereof punitive offence then onus and burden is on the State to give grounds by way of admissible evidence. But in the present Complaint Case, there is no evidence of falsity of claim, no allegation of falsity of claim nor there is any description of manner how that is misleading.

21. Learned Deputy Advocate General for the State



would further submit that the Hon'ble Supreme Court in its order dated 19.03.2024 passed in Writ Petition No.645 of 2022 observed that the petitioner nos. 3 & 4 have committed the contempt of court by giving the misleading advertisements and statements notwithstanding the undertaking given by them, therefore, the petitioners are liable to be prosecuted for the offences punishable under Sections 3 & 4 read with Section 7 of "1954 Act". But in view of this Court, with utmost reverence to the observation of the Hon'ble Apex Court, the submission of learned Deputy Advocate General for the State is misplaced. This Court has to see whether the impugned order of cognizance and summoning passed by the learned Chief Judicial Magistrate, Haridwar on the Complaint Case filed by the State is lawful, correct, proper and legal or suffers from any illegality. This petition has to be decided at the anvil of this test only. Inviting the observation of the Hon'ble Supreme Court, while deciding this petition under Section 528 of B.N.S.S., shall be extraneous.

22. In view of the foregoing reasons, the impugned cognizance and summoning order dated 16.04.2024 passed by the learned Chief Judicial Magistrate, Haridwar in Criminal Complaint Case No.3892 of 2024 against the petitioners for the offence punishable under



Sections 3, 4 & 7 of "1954 Act" is hereby set-aside.

23. The present C-528 petition stands disposed of accordingly.

(Vivek Bharti Sharma, J.) 03.06.2025

Akash