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

+ **W.P.(C) 3907/2022 & CM APPL. 11612/2022**

M/S CERAGEM INDIA PRIVATE LIMITED

.....Petitioner

Through: Mr. Bipin Bihari Singh and Ms.
Mahua Bose, Advocates with MR.
Karnal Bhatla, AR.

versus

NATIONAL COMMISSION FOR SCHEDULE CASTES & ORS.

.....Respondents

Through: Mr. T. P. Singh, Sr. Central Govt.
Counsel for NCSC.
Mr. Satya Ranjan Swain, PSC with
Mr. Ankeesh Kapoor, Advocate for
R-2 & 3.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

16.12.2024

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1. The present petition impugns Minutes of Meeting dated 25th February, 2022, issued by Respondent No. 1/ National Commission for the Scheduled Castes,¹ a constitutional body set up under Article 338 of the Constitution of India. The impugned Minutes of Meeting read as under:

"1. The matter was listed for hearing on 25.02.2022 at 3.00 P.M before the Vice Chairman, National Commission for Scheduled Castes (NCSC) in his chamber at 5th Floor, LokNayakBhawan, Khan Market, New Delhi. The petitioner informed the Commission that she took franchise on 14th Aug 2018 of Ceregem India Pvt Ltd. The Company has no license for running the business for Medical

¹ "NSCS"



purpose as per GMP guidelines (CDSEO). The petitioner informed the Commission that she demanded relevant documents but Company failed to provide the same and terminated the franchise which causes huge financial loss to her and the family. The petitioner had filed multiple complaints before concerned Police stations vide Complaint Memo No. 723/2020. but no action taken by Police. The Company had violated all the Covid lockdown protocols, insulted the National Flag and the relevant sections of Consumer Protection act 1986; Trade Mark Act; Drugs and Magic Remedies Act; Physiotherapy central council Act 2017 and the petitioner also stated before the Commission that the Company is liable for contempt of Court i.e. noncompliance of the High court of Kerala's Judgment on the same issue; the Company running their head office and centers without having any license from Government of India (Health. CDSEO, Ministry of Commerce). The petitioner has submitted all the relevant documentary evidence of above mentioned before the Commission.

- 2. The authority present in the hearing informed the Commission that there are two main issue in this matter i) breach of contract ii) reasonable due diligence not conducted by the petitioner. The Commission categorically asked the authority representing the Drug control Department. what are their responsibility if someone doing business of selling medical equipment to which authority failed to provide any statement and justification regarding the same.*
- 3. After hearing both the party in detail, the Commission expressed extreme displeasure over the lackadaisical action of the authorities in this matter. The Commission recommends to conduct preliminary enquiry by The Commissioner of Police, Delhi; The Commissioner of Police, Gurugram; The Drug Controller General; The Health Secretary of India. The Commission further recommends that till the preliminarily enquiry by all the above mentioned Department concluded, The Home Department and The State Administration has to ensure the closure of all the office of Ceregem India and the concerned Police Department and the State Administration have to ensure the company i.e. Ceregem India cooperating the investigation. The Administration asked hereby to submit the reports on the next date of hearing.*
- 4. The Commission also recommend that any further non-compliance on this matter by the authorities, the Commission will invoke the applicable 'provision, including section 4 of the scheduled castes and the scheduled tribes (prevention of atrocities) Act, 1989.*
- 5. The Commission advised M.D and Chairperson of Ceregem India have to appear in person for examination on the next date of hearing along with full facts and relevant documents pertaining to*



the case and Commission further recommends concerned Police Department to ensure the presence of M.D and Chairperson before the Commission. In case concerned authority fails to attend the hearing. the Commission is at liberty to exercise the powers of civil courts under clause (8) of the article 338 of the Constitution of India for enforcing attendance before the Commission.”

2. The Petitioner received a notice dated 28th February, 2022 along with the aforesaid Minutes of Meeting, however, no copy of the complaint was provided to them. The said notice stipulates as under:

“Sir,

I am directed to forward Minutes of the hearing held on 25.02.2022 (copy enclosed) before the Hon’ble Vice-Chairman of this Commission for taking necessary action and submission of action taken report.

Shri Arun Halder, the Hon’ble Vice-Chairman of this Commission has fixed the date of hearing in the matter for 09.03.2022 at 11.00 A.M. in his chamber at 5th Floor, Lok Nayak Bhawan, Khan Market, New Delhi.

Accordingly, you are requested to make it convenient to appear in the hearing before the Hon’ble Vice-Chairman as per schedule mentioned above at the Headquarters of National Commission for Scheduled Castes, New Delhi along with an upto date action taken report and all relevant documents including the relevant files, case diaries etc. to facilitate the hearing. The petitioner may also be asked to be present in the Commission on the day of hearing.”

3. A perusal of the aforesaid order makes it apparent that on 14th August 2018, Respondent No. 4 had entered into a franchise agreement with the Petitioner. Subsequently, a dispute appears to have arisen between the parties, leading to allegations from Respondent No. 4 that the Petitioner’s company does not possess the requisite license for operating a business with medical purpose, in accordance with the Good Manufacturing Practices Guidelines, Central Drugs Standard Control Organization.² Moreover, Respondent No. 4 filed complaints with the police, however, no action was

² “CDSCO”



taken in response. In addition to these claims, Respondent No. 4 has accused the Petitioner's company for violating COVID-19 lockdown protocols, insulting the national flag, and acting in breach of the Consumer Protection Act, 1986, the Trade Marks Act, the Drugs and Magic Remedies Act, and the Physiotherapy Central Council Act, 2017.

4. It must be noted that none of the aforementioned allegations fall within the ambit of the jurisdiction of the NCSC, as they do not pertain to deprivation of any rights available to a member of the Scheduled Caste community, nor do they reflect commission of atrocities against such members. Furthermore, the NCSC does not have the jurisdiction to entertain a complaint with respect to the legislations enumerated above. NCSC, in fact, has acknowledged in Paragraph No. 2 that the issues before them were primarily concerned with (a) breach of contract and (b) the alleged failure of the Petitioner to conduct reasonable due diligence. In light of these considerations, the Court is of the opinion that the NCSC could not have assumed jurisdiction over the complaint.

5. The counter affidavit filed by the NCSC, while detailing the relevant constitutional provisions pertaining to the scope and ambit of its powers, is silent on the issue of its jurisdiction in relation to the subject matter of the complaint.

6. The Court has also perused the counter affidavit submitted by Respondent No. 4, whereby she alleges that the Petitioner is operating an unlawful business without the requisite license from the appropriate authority. The Petitioner is using the present proceedings as a means to suppress her legitimate demands. Additionally, it has been alleged that when Respondent No. 4 requested for the copies of the certificates and licenses



necessary for the marketing, promotion, and sale of the products, the Petitioner abruptly terminated their contract, and started torturing and harassing her, using derogatory and defamatory language against her.

7. These allegations point out to a dispute pertaining to termination of services of Respondent No. 4, which forms the basis of the decision taken by NCSC in their meeting held on 28th February, 2022. In this context, the Court has already observed that the aforesaid allegations do not fall within the purview of the jurisdiction of the NCSC.

8. In view of the above, the present petition is allowed and the impugned Minutes of Meeting dated 25th February, 2022 and notice dated 28th February, 2022 are hereby quashed.

9. In light of the foregoing, the petition is disposed of, along with pending application.

SANJEEV NARULA, J

DECEMBER 16, 2024

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