

**IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION**

**CRIMINAL APPEAL NO. 5549 OF 2024
(Arising out of SLP (Crl.) No. 9163/2023)**

Murlidhar Gyanchandani and others ... Appellants

Versus

State of Jharkhand and another ... Respondents

WITH

**CRIMINAL APPEAL NO.5550 OF 2024
(Arising out of SLP (Crl.) No. 9640/2023)**

Murlidhar Gyanchandani and others ... Appellants

Versus

State of Jharkhand and another ... Respondents

**CRIMINAL APPEAL NO.5551 OF 2024
(Arising out of SLP (Crl.) No. 9514/2023)**

Vijay Pratap Singh and another ... Appellants

Versus

State of Jharkhand and another ... Respondents

ORDER

Leave granted.

2. The instant controversy arises from a Trademark Infringement dispute between the Appellants and M/s. Vedanta Tea Agro Industries (**Vedanta**). For context, Appellant No. 1 serves as the Chairman of RSPL Ltd., while Appellant Nos. 2 and 3 hold the position of Directors in that company. Vedanta operates as a proprietary concern of Pawan Kumar, with Respondent No.2/Complainant, Ravi Kumar, being his brother.
3. RSPL Ltd. is engaged in the manufacture and sale of detergents and various

FMCG products and is, most notably, the proprietor of the trademark 'Ghadi,' which comprises both the 'word mark' and the accompanying 'clock device'. The trademark is asserted to hold significant commercial value and has been registered by the Appellants for several decades, covering a diverse range of products across multiple classes, including beverages such as tea and coffee.

4. Against this backdrop, RSPL Ltd. instituted a civil suit on 29.08.2016 under Sections 134 and 135 of the Trademarks Act, 1999, before the Patiala House District Court, New Delhi (**Civil Court**), alleging infringement of its 'Ghadi' trademark by Vedanta. On 30.08.2016, the Civil Court granted an *ex-parte ad-interim* injunction in favor of RSPL Ltd., restraining Vedanta from using the trademark on its tea products. Additionally, the Civil Court appointed a Local Commissioner to search Vedanta's premises and seize any infringing goods or packaging materials discovered therein. To facilitate this, the Local Commissioner was authorized to break locks, if necessary, with police assistance to be provided as required.
5. Pursuant to the Civil Court's order dated 30.08.2016, the appointed Local Commissioner, accompanied by police personnel, visited Vedanta's premises on 29.09.2016. A search was conducted for infringing goods, which were subsequently seized in the presence of Respondent No. 2 and his father. The seizure was reportedly carried out in compliance with the prescribed procedure and was video-recorded. The Local Commissioner submitted a detailed report along with supporting documents to the Civil Court on 21.10.2016, which now forms part of the suit record.

6. Subsequently, Respondent No. 2 filed Complaint Case No. 3158/2016 (**Criminal Complaint**) on 22.11.2016, before the Chief Judicial Magistrate, Dhanbad (**Magistrate**), alleging that the search and seizure conducted on 29.09.2016 gave rise to offences under Sections 341, 379, 448, 419, 420, 500, 504, and 120B of the Indian Penal Code, 1860 (**IPC**). The Criminal Complaint was filed against the Appellants, along with a representative and an employee of RSPL Ltd. The Magistrate in purported exercise of his powers and acting under Section 156(3) of the Code of Criminal Procedure, 1973, directed the initiation of proceedings. Consequently, the Dhanbad Police Station, Jharkhand, registered FIR No. 30/2017 (**FIR**).
7. The aggrieved Appellants approached the Civil Court at Delhi by filing an application under Section 151 of the Code of Civil Procedure, 1908, read with Section 15(2) of the Contempt of Courts Act, 1971, seeking initiation of criminal contempt proceedings against Respondent No. 2 and his father. Both individuals were stated to be present at the premises during the search and seizure conducted by the Local Commissioner, in supposed compliance of the as per the Civil Court's order dated 30.08.2016. The Appellants alleged, *inter alia*, that the FIR at Dhanbad was registered as an attempt to subvert the course of justice.
8. The Civil Court at Delhi issued notices to the named individuals and, by its order dated 02.03.2017, directed the Local Commissioner who had been appointed by it previously and the accompanying police officials to appear in

person. This prompted the police officials to challenge the said order before the Delhi High Court in CM (M) 365/2017. The High Court on 30.03.2017, quashed the Civil Court's order to the extent that it required the personal appearance of the police officials and granted them liberty to seek appropriate exemption before the summoning Court. Respondent No. 2 and his father also filed a separate petition before the Delhi High Court. However, by its order dated 31.03.2017, the High Court refused to interfere with the Civil Court's order, citing the seriousness of the allegations against them, when compared to the police officials.

9. With these developments happening in the context of the civil dispute, the Appellants on 11.05.2017, filed CRM P No. 942/2017 before the High Court of Jharkhand (**High Court**) under Section 482 of the Code of Criminal Procedure, 1973 (**CrPC**), seeking quashing of the FIR registered against them at Dhanbad. Meanwhile, the investigation was completed and the police submitted a charge sheet before the Magistrate on 17.01.2018, naming the Appellants as accused. Consequently, the Magistrate took cognizance of the offences on 29.01.2018 and issued summons to the Appellants. The Appellants then filed one more petition under Section 482 of the CrPC, *vide* CRM P No. 2018/2018, whereas a separate petition being CRM P No. 2023/2018, was preferred by the employees.
10. By a common impugned judgment dated 27.06.2023, the High Court dismissed the petitions seeking quashing of the Magistrate's order dated 29.01.2018 and the FIR, holding that no case was made out for such

intervention.

11. It is in this backdrop that the parties are before us. When the matter was first heard on 18.08.2023, this Court issued notice to the Respondents and granted an interim stay on the proceedings before the Magistrate, preventing any coercive action against the Appellants. Subsequently, the parties were advised to explore the possibility of an amicable settlement.
12. Pursuant thereto, the parties seem to have engaged in extensive deliberations and arrived at a settlement, as recorded in the Memorandum of Settlement dated 30.11.2024 (**MoU**). The parties to the MoU, comprising RSPL Ltd. (*the First Party*), Respondent No. 2, his father, and the proprietor of Vedanta (*the Second Party*), have mutually agreed to the following terms of settlement—which have been reproduced—in a bid to amicably resolve their dispute.

“That the Second Party acknowledges and accepts exclusive proprietary right of M/s RSPL Ltd. over and in respect of its well-known trademark “Ghadi” word per se and device of a clock, registered in various classes. The Second Party themselves or through their representative(s), partner(s), Associate(s), employee(s), attorney, agent(s), assign(s) or through any person acting under their collective or individual instruction or support shall not use the said trademark “Ghadi” in any form or manner for any of their products, business, working or in any manner which is prejudicial to the interest of M/s RSPL Ltd. or which amounts to infringement of its trademark or which in any manner amounts to an act of passing off of the any product of M/s RSPL Ltd. or any product of any of its group companies by using infringing trademark or otherwise.

That subject to the undertaking of the Second Party that they (collectively or individually), their legal heirs, legal representatives, employees, agents, partners, associates, assigns or any person working for and on their behaves or

working in association with them, shall not use trademark "Ghadi" of M/s RSPL Ltd. in the course of their business/working or on any of their products, be it manufactured, assembled, packaged or in any other manner sold or traded by the Second party directly or through their proprietary firm or any other legal entity or through their partner(s), Associate(s), employee(s), attorney, agent(s), assign(s) or through any person acting under their collective or individual instruction or support, M/s RSPL Ltd. will withdraw its moratory claims in the civil suit bearing TM No, 13768/2016 titled as RSPL Ltd. Vs. Vedanta Agro Industries and pending application seeking initiation of contempt proceedings against the Second Party and other concerned persons, which is pending in the Court of Ld. ADJ 02/Waqf Tribunal, Patiala House, New Delhi. The Second Party shall have no objection if the said suit of the First Party is decreed granting reliefs against infringement of trademark 'Ghadi' and against passing off.

That the Second Party will have no objection if SLP Crl no. 9163/2023 and the connected SLPs bearing SLP Crl no. 9640/2023 and SLP Crl no. 9514/2023 are allowed and disposed of in terms of present settlement and FIR No. 30/2017 dated 10.01.2017 registered at PS Dhanbad u/s 341/379/448/419/420/500/504/120B, IPC and proceedings arising out of the same and connected thereto including proceeding under Section 340 CrPC against the Authorized Representative of the First Party are quashed. The Second Party undertakes to render full cooperation in seeking quashing of the all-Criminal cases/proceedings against the First Party, its Directors, Authorized Representative and employees etc.

That the First Party shall pay to the Second Party a litigation expense of Rs. 5,00,000/- (Rupees Five Lacs Only) to the Second Party. The said amount is being paid to the Second Party by two Demand Drafts i.e. DD No. 646651 for Rs. 2,50,000/- (Two lacs Fifty Thousand) dated 29.11.2024, drawn at SBI Branch Industrial Estate, Kanpur drawn in favour of Janardan Prasad Singh and DD No. 646647 for Rs. 2,50,000/- (Two lacs Fifty Thousand) dated 28.11.2024, drawn at SBI Industrial Estate Kanpur drawn in favor of Gunjan Kumar. Upon receipt of said amount the second party accept and acknowledge full and final payment.

That upon execution of this deed of settlement and upon fulfillment of their respective obligations mentioned herein the parties will have no claim against each other on any account whatsoever and all their dispute and differences shall stand settled for all times to come."

13. In light of this MoU and the terms agreed upon therein, we deem it appropriate to invoke our powers under Article 142 of the Constitution, with an aim to do complete justice between the parties and consequently decree the civil suit pending before the Civil Court. Similarly, keeping in mind the unique circumstances of the case, we quash the criminal proceedings pending before the Chief Judicial Magistrate, Dhanbad against the Appellants, as well as the FIR registered against them at Police Station Dhanbad and all other proceedings arising therefrom. We may hasten to further clarify that the contempt proceedings pending before the Civil Court as well as the criminal proceedings initiated against the police officials under Section 340 of the CrPC *vide* GR Case No. 152/2017 and pending before the Judicial Magistrate, Dhanbad, stand quashed.
14. We also wish to place on record our appreciation for the learned counsel for their efforts in encouraging the parties to resolve their dispute amicably and for effectively bringing this matter to a close. We hope that this serves as a positive example of an out-of-court settlement, demonstrating how disputes can often be constructively negotiated without the need for sparring litigation before a court of law.
15. The instant appeals are disposed of in the above terms.
16. Ordered accordingly.

..... J.
(SURYA KANT)

.....J.
(UJJAL BHUYAN)

**New Delhi;
December 06, 2024**

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Crl.) No(s).9163/2023

[Arising out of impugned final judgment and order dated 27-06-2023 in CRMP No.2018/2018 passed by the High Court of Jharkhand at Ranchi]

MURLIDHAR GYANCHANDANI & ORS.

Petitioner(s)

VERSUS

STATE OF JHARKHAND & ANR.

Respondent(s)

(IA No. 147131/2023 - EXEMPTION FROM FILING O.T., IA No.152875/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

WITH

SLP(Crl) No. 9640/2023 (II-A)

(IA No. 154998/2023 - EXEMPTION FROM FILING O.T., IA No.153234/2023 - EXEMPTION FROM FILING O.T., IA No. 155006/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

SLP(Crl) No. 9514/2023 (II-A)

(IA No. 153045/2023 - EXEMPTION FROM FILING O.T., IA No.155000/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

Date : 06-12-2024 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE SURYA KANT
HON'BLE MR. JUSTICE UJJAL BHUYAN

For Petitioner(s) Mr. Narendra Kumar, Adv.
Mr. Rakesh Kumar-i, AOR
Ms. Deepali Aggarwal, Adv.
Mr. Sataroop Das, Adv.
Mr. R.N Awasthi, Adv.
Mr. Lakhan Singh, Adv.

For Respondent(s) Mr. Vishnu Sharma, Adv.
Ms. Madhusmita Bora, AOR
Mr. Pawan Kishore Singh, Adv.
Mr. Dipankar Singh, Adv.
Ms. Pavithra V., Adv.
Mrs. Anupama Sharma, Adv.

Mr. Prashant Bhushan, AOR

Ms. Nisha Tiwari, Adv.

**UPON hearing the counsel the Court made the following
O R D E R**

- 1. Leave granted.**
- 2. The appeals are disposed of in terms of the signed order.**
- 3. All pending applications, if any, also stand disposed of.**

(ARJUN BISHT)

ASTT. REGISTRAR-cum-PS

(signed order is placed on the file)

(PREETHI T.C.)

ASSISTANT REGISTRAR