

ALBA LAW OFFICES

Newsletter | November 2025

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HIGHLIGHTS OF THE MONTH

○ **No Monopoly on Floral Names: Delhi HC Denies 'TULIPS' Protection for Fragrances**

[Suparshva Swabs India vs AGN International & Ors., (FAO (COMM) 253 of 2023)]

The Delhi High Court dismissed the appeal filed by Suparshva Swabs India (Plaintiff), challenging the refusal of an interim injunction against AGN International & Ors. (Defendants) for using the trademark "AGN TULIP" for perfumes. Since both parties were registered proprietors of marks containing the word "TULIP," the dispute was tested solely on the tort of passing off. The Court focused on the core elements of passing off: goodwill, misrepresentation, and likelihood of damage. Although the Plaintiff, a manufacturer of cotton buds, established prior use of "TULIPS" since 1999, the Court found that this goodwill was confined to cotton buds and allied hygiene products. The Plaintiff failed to provide cogent evidence that their reputation had spilled over or acquired a secondary meaning in the distinct field of perfumes and fragrances prior to the Defendants' registration in 2010. The High Court upheld the finding that "TULIP" is a generic term in relation to fragrances, as the association of scent with flowers is ordinary and descriptive in that industry. Furthermore, the mark was not recognized as a "well-known trademark" under Section 11(6) of the Trade Marks Act, 1999, which would have transcended product categories, as the evidence of recognition remained tethered to a specific class of hygiene products. The argument that goods are sold through overlapping trade channels (pharmacies, supermarkets) was deemed insufficient to automatically extend goodwill across distinct product categories. Consequently, the Plaintiff failed to establish a prima facie case and a likelihood of deception in the relevant line of trade, leading to the dismissal of the appeal.

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- **Delhi High Court refers trade-dress dispute for “coat-pocket Constitution” to mediation**

[EBC Publishing (P) Ltd & Anr. v Rupa Publications India Pvt Ltd, (CS(COMM) 1034/2025)]

The Delhi High Court, orders dated September 25, 2025 and November 6, 2026: The Plaintiffs, EBC Publishing (P) Ltd & Anr., proprietors of the well-known red-and-black “coat-pocket” edition of the Constitution of India, sold since 2009 in a distinctive red and black trade dress with gold elements i.e., ‘



’. They brought a commercial IP suit alleging passing off and trade-dress infringement against Rupa Publications India Pvt Ltd. (“Defendant”). The suit asserts that the Defendant’s coat-pocket Constitution bare act copies the Plaintiffs’ distinctive get-up, including the size, colour scheme, layout,



and overall presentation i.e., in a manner likely to mislead buyers into believing it was associated with the Plaintiffs.

On September 25, 2025, the Court granted an interim injunction restraining the Defendant from manufacturing or selling the impugned edition in the allegedly similar trade dress and directed recall of unsold stock and removal of online listings. The Court was satisfied that the Plaintiffs had established a strong prima facie case in trade dress and passing off, and that continued sale of the Defendant’s edition would cause irreparable harm to the Plaintiffs’ goodwill.

On November 06, 2025, after the Defendant sought vacation of the injunction, the Court recorded both sides’ willingness to explore settlement and referred the matter to the Delhi High Court Mediation and Conciliation

	Centre, while continuing the interim arrangement and directing completion of pleadings. Read Here
○	Delhi High Court issued a permanent injunction protecting CASTROL marks and trade dress <i>[Castrol Limited & Ors v Mr Ali Hussain Amir Ali Namdar & Anr, (CS (COMM) 831/2024)]</i> The Plaintiffs, Castrol Limited & Ors, proprietors of the well-known CASTROL marks such as , ACTIV/ and  and , lubricant packaging, filed a commercial IP suit against Mr Ali Hussain Amir Ali Namdar & Anr. (“Defendants”) alleging infringement of trademarks and trade dress. The Plaintiffs complained of the Defendants were manufacturing and selling lubricants under the marks “CREMESTROL / ”, “ACTION / ”, “MADMAXX ACTION / ” using containers, colour schemes and layouts  and  - that are closely imitative packaging for automotive lubricants, said to be deceptively similar to CASTROL’s registered marks and distinctive get-up. The Court noted that, despite service, the Defendants failed to file a written statement or appear, and the matter proceeded <i>ex parte</i>. On the basis of un rebutted evidence of registrations, sales, advertising and comparative packaging, the Court found that the Defendants marks and overall trade dress were deceptively similar and likely to mislead consumers into believing that

their goods originated from, or were associated with, the Plaintiffs. Relying inter alia on Uflex Ltd v State of Tamil Nadu and prior Delhi High Court authority on trade dress, the Court granted a permanent injunction restraining the Defendants from using the impugned marks and packaging and awarded ₹5,00,000 towards costs in favour of the Plaintiffs.

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- **Madras High Court holds Everest coconut oil label distinct from “Parachute”; Marico’s Section 50 petition dismissed**

[Marico Limited v Prahalad Rai Kedia & Anr, (T)OP(CR) No. 1 of 2024]

The Petitioner, Marico Limited, manufacturer of PARACHUTE coconut oil, filed a petition under Section 50 of the Copyright Act, 1957 seeking suspension and expungement of copyright registration granted in favour of Respondent No. 1, Prahalad Rai Kedia (proprietor of Kedia Industries), for the artistic work used on the EVEREST Coconut Oil label. The Petitioner asserted that the EVEREST label was a substantial, colourable imitation of its prior PARACHUTE label, featuring a flag device, broken-coconut device, blue-green colour combination and overall layout said to have acquired distinctiveness. Marico relied on earlier copyright registration and several prior trade mark registrations, and alleged suppression of material facts when the Respondent sought registration. The comparison drawn between the Petitioner’s and the Respondent’s products is as follows:

Petitioner’s Label	Respondent’s Label
	
	

The Court noted that Respondent No. 1 had been set ex parte, while the Registrar of Copyrights (Respondent No. 2) contested the petition. On comparing the rival labels and considering the material, the Court held that the EVEREST label and packaging were “entirely distinct” from the PARACHUTE trade dress; use of blue in hair-oil packaging was found to be common to the trade and not monopolizable. The Court observed that Marico’s attempt effectively sought exclusivity over common trade elements and that infringement had not been established. The petition was accordingly dismissed, without costs, leaving the Respondent’s copyright registration intact.

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○ **Bombay High Court Barred the Sale of a Diabetes Drug Named ELGIMET for Being Deceptively Similar to GLIMET**

[Laboratories Griffon Pvt. Ltd. and Anr. v. Adwin Pharma and Ors. (2025: BHC-OS:21288)]

The Bombay High Court confirmed the ad-interim injunction in favour of Laboratories Griffon Pvt. Ltd. restraining Adwin Pharma and its associates from manufacturing, marketing, or selling pharmaceutical preparations under the mark “ELGIMET” or any other mark identical or deceptively similar to the registered marks “GLIMET” and “GLIMET DS.” The Court observed that “GLIMET” and “ELGIMET” are structurally and phonetically similar, and that, in the context of prescription medicines, even a possibility of confusion from imperfect recollection on the part of an average consumer, including vulnerable classes such as the elderly or semi-literate patients, is sufficient to justify injunctive relief. While recognising the plaintiffs’ goodwill and reputation, the Court declined interim relief on the passing-off claim, noting the absence at this stage of adequate evidence of misrepresentation by the defendants.

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○	Delhi High Court Dismisses Aqualite’s Appeals <i>[Aqualite Industries Private Ltd. v. Relaxo footwears Limited (FAO(OS) (IPD)1/2022)]</i> The Delhi High Court upheld interim injunction against Aqualite Industries Pvt. Ltd. (“Aqualite”), prohibiting the manufacture and sale of footwear infringing Relaxo’s registered designs, namely, BHG 136 and BHG 137. The Court observed that Aqualite’s footwear copied the distinctive side ridges of Relaxo’s designs, constituting design piracy under Designs Act, 2000. The court has dismissed Aqualite’s claims regarding lack of novelty and aesthetic appeal of the registered designs, as the prior art did not negate the novelty of the side ridges and aesthetic appeal is not a requirement for design registration. Therefore, the registration of Relaxo’s designs which were subject matter of the suit are not liable to cancellation under Section 19 of the Designs Act, 2000. Read Here
○	Delhi High Court declares ‘Hermes’ and Birkin Bag's 3-D shapemarks as Well-Known Trade Mark <i>[Hermes International & Anr. v. Macky Lifestyle Private Limited & Anr, (CS(COMM) 716/2021)]</i> The present Suit was filed by the Hermes International (“Plaintiff”) for infringement and passing off the trade mark, infringement of copyright, passing off, dilution, tarnishment, rendition of accounts, damages, delivery up, unfair competition, misappropriation etc. against Macky Lifestyle Private Limited (“Defendant”) alleging that the Defendant without any authorization, was manufacturing, using, advertising, offering for sale and selling identical products as that of the Plaintiff, infringing the three dimensional shape mark of the Plaintiff’s ‘Birkin’ Bag and the trade mark ‘Hermes’. The Defendant started in an affidavit submitted to the Court that the operation of the Defendant Company started in June 2021 and did not earn any revenue

from the business till the closing of the business, and no business under the Company name Macky Lifestyle Private Ltd, is currently ongoing as the business of the Defendant company has been closed down.

The Court observed that the recognition accorded to the marks of the Plaintiff by industry associations in foreign jurisdictions, evidence of consistent enforcement of the Plaintiff's rights before the Courts in India and foreign jurisdictions, reinforces the Subject Marks' distinctiveness and reputation.

Accordingly, the Delhi High Court declared the 'Hermes' and Plaintiff's Birkin Bag's 3-D shapemarks as well-known Trade Marks within the meaning of Section 2(1)(zg) of the Trade Marks Act, 1999.

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○ **Supreme Court Sets Aside Arbitral Award in IRCTC Catering Dispute, Holding that the Arbitrator Exceeded Jurisdiction by Rewriting the Terms of the Catering Contracts**

[Indian Railways Catering and Tourism Corp. Ltd. vs M/s. Brandavan Food Products (Special Leave Petition (C) Nos. 15507-15509 of 2025)]

The dispute arose between Indian Railways Catering and Tourism Corporation (IRCTC) and Caterers, including Brandavan Food Products, over catering contracts for Rajdhani, Shatabdi, and Durgam Cheruvu trains. Initially, the Railway Board introduced “combo meals” at lower tariffs but later replaced them with full meals while retaining the lower combo price. Caterers argued they were forced to serve regular meals at reduced rates and also provide welcome drinks without reimbursement, leading to financial losses. Arbitration was invoked after earlier writ petitions failed, resulting in an award partly in favor of the Caterers.

The Supreme Court observed that arbitral awards under Sections 34 and 37 of the Arbitration and Conciliation Act, 1996 cannot rewrite contracts but must respect commercial realities. It noted that Caterers had raised consistent objections and were compelled to comply under financial duress, which

negated IRCTC's claim of waiver. The Court emphasized that contracts must be interpreted in light of fairness and the parties' obligations, especially when unilateral changes by the IRCTC altered the agreed terms.

The Court upheld the Arbitrator's finding that claims prior to January 2015 were time-barred but allowed recovery for subsequent losses. It rejected IRCTC's argument that Caterers had waived their rights by accepting payments, holding that coercion and repeated representations showed otherwise. In essence, the ruling clarified that while arbitral awards cannot alter contracts, they can grant relief where one party is compelled to perform beyond agreed terms without fair compensation.

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- **Supreme Court held that clause using word “arbitration” but retaining court recourse is not an arbitration agreement**

[M/s Alchemist Hospitals Ltd v M/s ICT Health Technology Services India Pvt Ltd, (2025 INSC 1289)]

The Appellant, M/s Alchemist Hospitals Ltd., sought appointment of an arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996 (“the Act”) on the basis of Clause 8.28 of a software-services agreement with M/s ICT Health Technology Services India Pvt Ltd (“Respondent”). The clause labelled the dispute-resolution mechanism as “arbitration” but, on a holistic reading, provided only for internal negotiations, escalation to senior management and an option for either party to approach civil courts if disputes persisted. The Supreme Court, affirming the Punjab & Haryana High Court, held that the clause was not an “arbitration agreement” under Section 7 of the Act.

The Court reiterated that an arbitration agreement must disclose a clear and unequivocal intention to submit disputes to a binding adjudicatory forum - a neutral arbitral tribunal whose decision is final and enforceable. Provisions that contemplate only internal review, non-binding mediation or preserve

	unqualified recourse to civil courts do not satisfy this test, even if they use the word “arbitration”. The appeal was dismissed, reinforcing that “pseudo-arbitration” clauses will not attract the jurisdiction under Section 11 of the Act. Read Here
○	Exorbitant Interest Rate Cannot be a Ground for Challenging an Arbitral Award <i>[Sri Lakshmi Hotel Pvt. Ltd. v. Sriram City Union Finance Ltd. & Anr. (2025 INSC 1327)]</i> The Supreme Court held that merely charging an exorbitant or high rate of interest does not constitute a valid ground for challenging an arbitral award and cannot be regarded as being against public policy. The Court observed that under Section 31(7) of the Arbitration and Conciliation Act, 1996 (“the Act”), the arbitrator has discretion to determine the rate of post-award interest, and in the absence of such specification, the statutory rate of 18% per annum shall apply. Reiterating the narrow scope of interference under Sections 34 and 37 of the Act, the Court emphasised that unless the interest rate shocks the conscience of the court or is patently illegal, it cannot be a ground to set aside an arbitral award, particularly when the rate arises from a contractual understanding between commercial entities. Read Here
○	Unconditional Stay on Execution of Arbitral Award Acceptable Only in Exceptional Cases <i>[Popular Caterers v. Ameet Mehta and Ors. (2025 INSC 1354)]</i> The Supreme Court of India allowed the Interim Application of the Award Debtor i.e. the Respondent and observed that an unconditional stay on execution of an award can be granted in appropriate cases taking into consideration the second proviso to Section 36(3) of the Arbitration and Conciliation Act, 1996, which could be only in cases of fraud or corruption.

	It was further analyzed and noted that an unconditional stay for execution of an award which is in the form of a money-decree could also be granted in “exceptional cases” if it qualifies the following conditions: (i) The decree is egregiously perverse; (ii) is riddled with patent illegalities; (iii) is facially untenable; and/or (iv) such other exceptional causes similar in nature. It was held that the case does not fall in any of the aforesaid categories to seek the benefit of unconditional stay. Read Here
○	Delhi High Court’s Decision on Post-Award Interest Payable <i>[BWL Limited v. Bharat Sanchar Nigam Limited (OMP (ENF.) (COMM.) 247/ 2023)]</i> The Delhi High Court clarified how post-award interest must be calculated when an arbitral award has been modified by appellate courts. The Court explained that Section 31(7)(a) of the Arbitration and Conciliation Act, 1996 (“Act”) gives tribunals wide discretion to award pre-award and pendente lite interest, including deciding the rate, the period, and the portion of the awarded amount on which interest is payable. In contrast, Section 31(7)(b) of the Act mandates that post-award interest must be paid on the “sum directed to be paid,” unless the award states otherwise. The Court noted that, the Division Bench had expressly directed that post-award interest would apply only to the principal amount and not to the lump-sum amount awarded towards pendente lite interest. Hence, post-award interest under Section 31(7)(b) of the Act cannot be included in the sum directed to be paid by an arbitral award if such pendente lite interest was specifically not added to the principal sum on which post-award interest was directed to be paid by the Division Bench. Read Here

○	Mathematical inconsistency in the Arbitral Award squarely falls within the category of correctable arithmetical errors <i>[Jagdish Kaur v. Jasbir Singh Sandhu & Ors., (2025 DHC 10446 DB.)]</i> Delhi High Court, while partly allowing an appeal under Section 37 of Arbitration and Conciliation Act, 1996 (the “Act”), held that Mathematical inconsistency in the Arbitral Award squarely falls within the category of correctable arithmetical errors. This appeal arose from an award wherein the arbitrator, even after assessing the value of completed work at ₹65,44,049 against advance payments of ₹68,00,000 made to the contractor, instructed further payment of ₹7,88,965 to the contractor. The appeal was allowed as the Court observed the Award passed by the arbitrator contained patent mathematical error. While deciding this, the Court relied upon the ratio in <u>Gayatri Balasamy v. ISG Novasoft Technologies Ltd., 2025 INSC 605</u>; which previously laid down that courts exercising jurisdiction under Sections 34 and 37 of the Act, are empowered to rectify or modify an arbitral award where the mistake is purely arithmetical or clerical in nature, and where such correction does not entail substituting the arbitrator’s reasoning or undertaking a substantive review of the merits. Read Here
○	Court Becomes Functus Officio After Appointing an Arbitrator: No Review Power Under Section 11 <i>[Hindustan Construction Co. Ltd v. Bihar Rajya Pul Nirman Nigam Ltd & ors. (2025 INSC 1365)]</i> The Supreme Court set aside Patna High Court’s order that had retrospectively invalidated its own earlier appointment of an arbitrator. The Supreme Court held that the High Court did not have the jurisdiction to reopen or review its earlier order passed under Section 11(6) of the Arbitration and Conciliation Act, 1996 as doing so undermined judicial

certainty and the arbitral process. It was noted that once the arbitrator was appointed by the Court, the Court became *functus officio* and could not reconsider the same issue it had already settled.

The High Court's possess a limited power of review that may be exercised only to correct an error apparent on the face of the record or to address a material fact that was overlooked. It cannot be used to revisit findings of law or reappreciate issues already decided.

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○ **Delhi High Court Bars NHAI Substitution in Arbitration, Reaffirms High Threshold for Article 227 Intervention**

[National Highways Authority Of India v. CFM Asset Reconstruction Pvt Ltd & Anr. (2025: DHC:10444)]

The Delhi High Court has refused to interfere under its supervisory jurisdiction under Article 227 of the Constitution with an arbitral tribunal's order that rejected the National Highways Authority of India's (NHAI) request to substitute itself with a Special Purpose Vehicle (SPV) in ongoing arbitration with CFM Asset Reconstruction Pvt. Ltd.

The Court underscored that its power under Article 227 is limited when examining arbitral proceedings and intervention is permissible only in cases of a patent lack of jurisdiction, a manifest miscarriage of justice, or a completely perverse and illegal order. A liberal exercise of this power would undermine the foundational principle of finality in arbitration.

In dismissing NHAI's petition, the Court held that allowing such a substitution mid-stream could jeopardize the claimant's position. Introducing a new party (the SPV) that may not have full knowledge of the claims and liabilities could frustrate the entire arbitral process. The tribunal's order to continue with NHAI as the proper party was thus upheld.

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○	Supreme Court Quashes Bihar Registration Rule Requiring Mutation Proof for Sale Deeds <i>Samiullah Vs the State of Bihar & Ors. [(Diary No. 12674 of 2024)]</i> The Bihar Government amended Rule 19 of the Registration Rules, 2008 in 2019, introducing sub-rules (xvii) and (xviii). These required proof of <i>Jamabandi</i> (mutation records for rural land) or <i>holding allotment</i> (urban flats/apartments) before registering sale or gift deeds. The Patna High Court upheld the amendments, but the appellants challenged them before the Supreme Court, arguing that mutation does not confer title and such a requirement was beyond the scope of the Registration Act, 1908. The Supreme Court observed that India’s property laws sustain a dichotomy between registration and ownership. Registration records transactions but does not guarantee title, which remains rebuttable in civil courts. The Court noted that property disputes form nearly two-thirds of civil litigation and suggested that modern technologies like blockchain could help move towards conclusive titling and reduce fraudulent or multiple registrations. The Court held that the Inspector General of Registration lacked authority under Section 69 of the Registration Act, 1908 to impose mutation proof as a precondition for registration. Such rules were arbitrary, unworkable given Bihar’s incomplete mutation process, and infringed upon the constitutional freedom to buy and sell property. Accordingly, the Supreme Court quashed the 2019 notification, set aside the Patna High Court’s judgment, and requested the Law Commission to examine reforms for integrating registration with conclusive titling. Read Here
○	Delhi High Court on “reasons to believe” and freezing of bank accounts under Prevention of Money Laundering Act <i>[Directorate of Enforcement v Poonam Malik, (Misc. Appeal (PMLA) 4/2021 & 5/2021)]</i>

The Appellant, Directorate of Enforcement (ED), filed two Miscellaneous Appeals before the Delhi High Court under the Prevention of Money Laundering Act, 2002 (Act), challenging an order of the PMLA Appellate Tribunal, New Delhi.

The order of Appellate Tribunal set aside Adjudicating Authority's confirmation on ED's act of freezing the bank accounts held by the Respondent, Poonam Malik, spouse of an accused in a money-laundering investigation.

The High Court examined the statutory scheme governing search, seizure and freezing under Section 17(1A) of the Act. The Court also referred to the requirement that the authorised officer must record "reasons to believe" on the basis of material in possession and also referred to the subsequent confirmation proceedings before the Adjudicating Authority under Section 8(3) of the Act. It held that PMLA proceedings, though civil in character and governed by the standard of preponderance of probabilities, still demand strict compliance with statutory safeguards.

Finding that the ED's freezing orders were founded on bare suspicion, lacked properly recorded "reasons to believe" and did not observe the mandated procedural steps, the Court upheld the Appellate Tribunal's decision and dismissed the ED's appeals.

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○ **Supreme Court Recalls its Vanashakti Judgment on Ex Post Facto Environment Clearances**

[Confederation of real Estate Developers of India v. Vanashakti and Anr. (2025 INSC 1326)]

By a two to one ruling, the Supreme Court recalled its May 16, 2025 decision which had categorically barred the grant of "ex-post facto" or retrospective

environmental clearances (ECs). The majority held that the earlier decision was rendered without addressing binding coordinate-bench decisions that permitted post-facto ECs in exceptional cases and therefore was per incuriam. It directed the Registry to place the matter for hearing by an appropriate Bench, thereby reopening the pathway for retrospective clearances subject to strict conditions. The dissenting judge, however, underscored that the concept of ex-post facto EC is fundamentally alien to environmental jurisprudence and cannot be accepted. The effect of the order is to allow projects which had already been executed or were near completion without prior ECs to seek regularisation rather than be mandatorily demolished, thereby mitigating major economic consequences while emphasising that such clearances must be treated as exceptions and be accompanied by appropriate penalties and conditions.

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- **Supreme Court rules that LoI (Letter of Interest) creates no vested right until it passes the threshold of final and unconditional acceptance**
[State of Himachal Pradesh & Anr. v. M/s OASYS Cybernetics Pvt. Ltd., (2025 INSC 1355)]

In the present case, the State of Himachal Pradesh (Appellant-State) filed an appeal against a Division Bench judgment of the High Court of Himachal Pradesh (High Court) dated 30.05.2024 (Impugned Judgment), whereby the challenge to cancellation of a Letter of Intent (LoI) issued to M/s OASYS Cybernetics Pvt. Ltd. (Respondent-company) in connection with a tender after it had been in effect for eight months, was allowed by the High Court. The Supreme Court observed that an LoI is a “promise in embryo” capable of maturing into a contract only upon the satisfaction of stipulated preconditions or upon the issue of a Letter of Acceptance (LoA). Therefore, a LoI (Letter of Interest) creates no vested right until it passes the threshold of final and unconditional acceptance.

However, the Supreme Court affirmed that the cancellation by the Appellant-State lacked stated reasons; however, it held that the deficiencies were only procedural and did not render the decision arbitrary since the Respondent-company had failed to conclusively meet these technical preconditions.

The Respondent-company argued that after being issued the LoI and making investments in furtherance of the LoI, it had a legitimate expectation that the contract would be formalised. The Supreme Court, while rejecting the Respondent-company's arguments, held that the principle of legitimate expectation presupposes a clear and unambiguous representation by the Appellant-State, followed by reliance and detriment. The conditional terms of the LoI negate the existence of any clear assurance; rather, they expressly warned that the process was still provisional. Based on the above, the Court allowed the appeal of the Appellant-State.

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○ **Allahabad High Court Rules Oral Consent Insufficient for Land Acquisition**

[Kaushal Kishore & anr v. State of U.P. Thru. Addl. Chief Secy. Revenue, Lucknow & 4 ors. (2025: AHC-LKO: 77608-DB)]

The Allahabad High Court has ruled that oral consent is legally insufficient for the state to use private land for public purposes, such as road construction. The dispute under this case arose when the State authorities had constructed a road over private land, allegedly based on oral consent of the landholder.

The court emphasized that land must be formally acquired through due legal procedure, accompanied by reasonable compensation in accordance with law. It was further clarified that merely permitting the land to be used for public passage does not constitute “adverse possession” by the State and thus does not extinguish the owner's title. The court directed the authorities to either follow the due process of law and pay compensation for using the land within twelve weeks or cease its use.

	Read Here
○	Supreme Court Leaves Open Question: Whether Customs Can retain confiscation powers over Seize Goods Which Already Left Port <i>[Commissioner of Customs, Airport Special Cargo v. Epsilon Eye Care Pvt. Ltd (arising out of Diary No(s). 59378/2025)]</i> The Supreme Court dismissed the Customs Department's appeal against a Customs, Excise and Service Tax Appellate Tribunal (CESTAT) order which had quashed a demand of over ₹10 crores against importer, Epsilon Eye Care. The Department had intercepted postal parcels containing intraocular lenses in 2022, alleging undervaluation and lack of a valid import license after the goods had already been cleared from the port and entered the domestic market. CESTAT ruled that once goods are cleared from the port, customs authorities lose the power to confiscate them for such violations. The Supreme Court upheld this outcome, particularly as the importer was found to hold a valid license by the date of adjudication, shielding it from the duty demand. Crucially, the Court expressly left open the larger legal question of whether customs authorities retain confiscation powers over goods that have already left the port; an issue reserved for future determination. The appeal was thus dismissed. Read Here
○	NCLAT Upholds CIRP Initiation Against Majestic Hotels, Dismissing Section 10A Defense <i>Kewal Krishan Sharma vs. Navneet Gupta & Anr. [(Company Appeal (AT) (Ins.) No. 1302 of 2024)]</i>

This judgment by National Company Law Appellate Tribunal (NCLAT) is centered on the initiation of the Corporate Insolvency Resolution Process against Majestic Hotels Limited (Corporate Debtor). The core facts involved the Financial Creditor, namely U. V. Asset Reconstruction Company Ltd., filing a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC), which was admitted by the Adjudicating Authority (“NCLT”) Delhi. The appellant, the suspended director of the Corporate Debtor, challenged this order, arguing that the alleged default fell within the protected period of Section 10A of the IBC (which bars actions for defaults arising on or after March 25, 2020), and that continuous payments and a contractual cure period meant no default existed before that date.

The NCLAT’s decision hinged on the interpretation of the Memorandum of Understanding between the parties, which stipulated a 45-day cure period for missed payments. The material facts were undisputed: the January 2020 instalment of Rs. 95,91,034 became due on January 31, 2020, but only Rs. 32,52,013 was paid. The remaining amount of Rs. 63,39,021 was not discharged within the 45-day cure period ending on March 16, 2020. Hence, by February 1, 2020, there was a clear non-payment of the due amount. The NCLAT held that the "event of default" automatically occurred upon non-payment by March 16, 2020, a date which *preceded* the commencement of the Section 10A moratorium period.

It was held that the contractual grace period did not postpone the “occurrence” of default; it merely gave the Corporate Debtor additional time to rectify it before triggering the contractual consequences. The NCLAT determined that once a default occurs, it cannot be retrospectively "cured" unless the agreement is mutually revived, which was not done here.

Further, the NCLAT found no infirmity in the NCLT's order. The appeal was dismissed because the financial debt and a continuing default that predated the Section 10A bar were successfully demonstrated through contractual

	documents, DRT orders, and the Corporate Debtor's own audited balance sheets. The NCLAT reinforced the principle that if a financial debt and default exist, the NCLT must admit the petition, as per established Supreme Court precedents. Read Here
○	NCLAT partly upholds CCI Order against WhatsApp and Meta for Abuse of Dominance <i>[WhatsApp LLC vs Competition Commission of India (Competition Appeal No. 1 of 2025)]</i> The National Company Law Appellate Tribunal (NCLAT) partly allowed the appeals filed by WhatsApp LLC and Meta Platforms, Inc. challenging the Competition Commission of India's (CCI) finding of abuse of dominance related to WhatsApp's 2021 Privacy Policy. The core facts revolved around the CCI's conclusion that WhatsApp, dominant in the market for Over-The-Top (OTT) messaging apps through smartphones in India, used the update to impose unfair terms and reinforce Meta's position in online display advertising. The NCLAT, while modifying some directions, substantially upheld the CCI's order, affirming the key findings of anti-competitive conduct and upholding the monetary penalty. The NCLAT affirmed the violations under Section 4(2)(a)(i) (imposition of unfair conditions) and Section 4(2)(c) (denial of market access) of the Competition Act, 2000. It was held that the Section 4(2)(a)(i) violation was made out as that WhatsApp's non-negotiable "take it or leave it" policy, which mandated acceptance of expanded data-sharing with Meta, amounted to the imposition of an unfair and coercive condition on users. The NCLAT held that privacy is a critical non-price competition parameter, and its degradation through forced data collection constitutes an exploitative abuse of dominance. Although the finding for leveraging dominance under Section 4(2)(e) was set aside due to WhatsApp and Meta being recognized as separate

	legal entities, the cross-platform sharing of WhatsApp data still resulted in a denial of market access to competitors in the online display advertising market, validating the Section 4(2)(c) finding. Further, the NCLAT set aside the original order that would have stopped WhatsApp from sharing user data with other Meta companies for advertising purposes for a period of five years. The NCLAT essentially decided that this specific prohibition was no longer necessary because the corrective orders above compel WhatsApp to provide users with a truly effective choice and control over their data. If users can genuinely opt out of data sharing for advertising, the blanket five-year ban becomes redundant. Despite this modification, the NCLAT upheld the penalty of ₹213.14 crore imposed on Meta, along with other non-monetary directions requiring full transparency and an effective opt-out mechanism for users. Read Here
○	Delhi High Court on vacation notice and pending regularisation under PM-UDAY <i>[Jyoti Rathore v Municipal Corporation of Delhi & Anr, W.P.(C) 17037/2025]</i> The Petitioner, Jyoti Rathore, challenged a Vacation Notice dated October 13, 2025 issued under Section 349 of the Delhi Municipal Corporation Act, 1957 in respect of her property in Budh Vihar, Phase-I, New Delhi. She contended that the Municipal Corporation of Delhi (“MCD”) issued the notice despite a pending application concerning regularisation/rights under the PM-UDAY scheme and without providing her the underlying demolition, sealing and rejection orders. MCD placed on record a status report stating that a demolition order under Section 343(1) (dated March 28, 2025), a sealing order under Section 345A (dated August 27, 2025) and an order rejecting regularisation (dated November 7, 2025) had already been passed. The Court noted that the

	Petitioner had received these documents only with the status report. The Petitioner immediately applied for reopening of the regularisation request. Directing adherence to principles of natural justice, the Court ordered MCD to consider the Petitioner's fresh regularisation application and PM-UDAY-related material, grant a personal hearing, and take a reasoned decision. The Delhi Development Authority was also directed to process the Petitioner's PM-UDAY claim upon receipt of complete documents. Meanwhile, no coercive action could be taken against the property, subject to the Petitioner maintaining status quo. Read Here
○	Statement Made Before Custom Officer Under Section 108 of the Customs Act Not Admissible As Evidence <i>[Gulfam v. Commissioner of Customs (WP (C)15791/2025)]</i> The Court addressed the petitioner's challenge to the continued detention of a 117 gram gold bar seized at Indira Gandhi International Airport on 5th January 2023, due to the Customs Department's failure to issue a Show Cause Notice or grant a personal hearing, as required under Section 110(2) of the Customs Act, 1962 (the Act), following the Supreme Court's ruling in Union of India v. Jatin Ahuja. The Court reviewed the petitioner's statement under Section 108 of the Act disclaiming ownership but admitting duty liability via a pre-printed waiver and noted that such statements are inadmissible as evidence before the court in the matters of seized gold, thus requiring inquiry into ownership and the gold's foreign markings. The bench directed the petitioner to appear before Customs on 22nd December 2025 for verification and hearing, mandating an order compliant with Section 110(2) of the Act for return of goods absent timely Show Cause Notice or extension. Read Here
○	Supreme Court recognizes Chartered Accountants as eligible for Income Tax Appellate Tribunal Membership at par with Advocates

[Madras Bar Association v. Union of India (WP (C) No. 1018 of 2021)]

The Supreme Court of India held that the requirement under the Tribunals Reforms Act, 2021 for a Chartered Accountant to have 25 years of practice to be eligible for appointment as Accountant/Technical Member of the Income Tax Appellate Tribunal is unconstitutional. The Court recognised that Chartered Accountants must be treated at par with Advocates for such appointments, and that a 10-year experience requirement is appropriate and non-discriminatory.

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○ **New Labour Codes Implemented**

The Government of India has implemented four consolidated labour codes namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, thereby replacing twenty-nine central labour enactments with a unified and modern regulatory framework. The reform seeks to simplify and rationalise the existing legal structure governing employment and industrial relations, enhance worker welfare, and promote ease of compliance for employers. The Code on Wages, 2019 standardises definitions and procedures for wage fixation, payment and bonuses, ensuring uniformity and broader coverage. The Industrial Relations Code, 2020 focuses on collective bargaining, trade union recognition and mechanisms for industrial dispute resolution. the *Code on Social Security*, 2020 expands the ambit of social welfare by integrating multiple social security laws and extending benefits to unorganised, gig and platform workers. The Occupational Safety, Health and Working Conditions Code, 2020 consolidates provisions related to safety, health, working hours and conditions of employment, establishing uniform standards for all workplaces across sectors.

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○	Supreme Court rules terminated developer rights are not 'Assets' Protected by IBC Moratorium, Appoint New Developer <i>[A A Estates Private Ltd. v. Kher Nagar Sukhsadan Co-operative Housing Society Ltd. & ors. (2025 INSC 1366)]</i> The Supreme Court has ruled that a terminated development agreement does not qualify as an “asset” or “property” of a corporate debtor under Section 14 of the Insolvency and Bankruptcy Code, 2016 (IBC). The Court emphasized that IBC’s moratorium cannot be used by a defaulting developer as a shield to indefinitely stall a welfare-oriented redevelopment project. The Court noted that the agreement was validly terminated before the insolvency commenced, no subsisting or enforceable right survived for the moratorium to protect. The developer’s rights were contingent upon performance, which were not materialized. Hence, the redevelopment project was allowed to be proceeded. Read Here
○	Supreme Court rules that the mere filing of a defective affidavit in support of an application would not render the very application liable to be rejected <i>[Livein Aqua Solutions Private Limited v. HDFC Bank Limited, (Civil Appeal No. 11766 OF 2025)]</i> The Supreme Court held that the financial creditor must be afforded an opportunity to rectify procedural defects in a Section 7 application under the Insolvency and Bankruptcy Code, 2016 (IBC). In this case, an application under Section 7 of the IBC was rejected solely on the ground of a mismatch between the verification date and the date of swearing of the supporting affidavit. The Court directed that the defects identified by the National Company Law Tribunal (NCLT) shall be cured within seven days before the NCLT resumes

proceedings. The Supreme Court observed that NCLT cannot summarily reject insolvency pleas for mistakes that can be rectified and held that mere filing of a 'defective' affidavit in support of an application would, however, not render the very application *non est* and liable to be rejected on that ground as it is neither an incurable nor a fundamental defect. The appeal was accordingly disposed of with the direction to the Respondent to cure the defects, including the defective affidavit, and NCLT to take up the matter for hearing in accordance with law and due procedure

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○ **Delhi High Court Upholds Mandatory PF Contribution for International Workers**

[Spice Jet Ltd vs Union of India and Anr (W.P. (C) 2941 of 2021)]

The Delhi High Court delivered judgment regarding the applicability of the Employees & Provident Fund Scheme, 1952 to 'International Workers'. The petitioners, including SpiceJet Ltd and LG Electronics India Private Limited, challenged two notifications from 2008 and 2010 that mandated provident fund contributions for non-excluded international employees, regardless of their salary. In contrast, domestic employees were subject to a monthly wage ceiling of Rs. 15,000 and above for mandatory contributions. The petitioners argued this differential treatment violated Article 14 of the Constitution of India, which guarantees equality before the law, and that a delegated legislation could not create such a distinction beyond the scope of the Employees' Provident Fund Act, 1952 (the Act).

The High Court held that Article 14 protection extends to foreign nationals but permits reasonable classification, provided it is based on an "intelligible differentia" with a "rational relation to the object sought to be achieved". The Court's *ratio decidendi* was that the distinction between domestic and international workers is reasonable because international workers typically have short-term employment in India (2 to 5 years), which insulates them from the "economic duress" faced by domestic employees who contribute

	throughout their potentially much longer careers until retirement. The objective of the Act is to provide social security without causing undue economic hardship, and this rationale justifies the classification. In conclusion, the Delhi High Court upheld the impugned notifications and dismissed the petitions, ruling that the classification of international workers as a separate and distinct class is permissible and not discriminatory. The Employees' Provident Fund was directed to draw up fresh proceedings under Section 7A of the Act for both petitioners. Read Here
○	Supreme Court Mandates Written Grounds of Arrest for All Offences <i>[Mihir Rajesh Shah vs State of Maharashtra and Anr. (Criminal Appeal No. 2195 of 2025)]</i> The Supreme Court of India, addressing a cluster of criminal appeals, has clarified the fundamental and statutory requirement for informing an arrested person of the grounds of arrest under Article 22(1) of the Constitution of India and Section 47 of the Bharatiya Nagarik Suraksha Sanhita, 2023. The Court held that the constitutional mandate applies mandatorily to all offences under all statutes, including the Bharatiya Nyaya Sanhita, 2023, earlier the IPC 1860. To effectively serve the purpose of enabling the arrestee to seek legal counsel and defend themselves, the grounds of arrest must be communicated in writing in the language the arrestee understands. Failure to comply renders the arrest and subsequent remand illegal, entitling the person to immediate release. Read Here
○	Supreme Court held corporate buyer of enterprise software is not a “consumer” <i>[M/s Poly Medicure Ltd v M/s Brillio Technologies Pvt Ltd, (2025 INSC 1314)]</i>

The Plaintiff, M/s Poly Medicure Ltd, purchased specialised software from M/s Brillio Technologies Pvt Ltd (Defendant) to automate its import-export documentation and related business processes. Alleging deficiencies, the Plaintiff pursued a consumer complaint, but both the State Commission and the National Consumer Disputes Redressal Commission held that the transaction was for a “commercial purpose” and that the Plaintiff was not a “consumer” under Section 2(1)(d) of the Consumer Protection Act, 1986.

The Supreme Court affirmed those findings and dismissed the appeal. It applied the dominant-purpose test, holding that where goods or services are acquired to enhance efficiency in a profit-oriented commercial activity, the purchase is excluded from the definition of “consumer”. Only transactions predominantly aimed at self-employment or livelihood may qualify under the statutory exception.

The Court emphasised that corporate self-use of enterprise software with a clear profit nexus remains a commercial purpose, even if the buyer does not resell the software. The ruling significantly narrows the scope for business entities to invoke consumer fora in technology and services disputes, steering such parties towards contractual remedies before civil courts or arbitration, and underscores the need for robust dispute-resolution and service-level clauses in B2B technology contracts.

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- **Supreme Court reinforces Order XXI Rule 90(3) CPC Bar, says Objection to Sale of Entire Property must be raised before Proclamation** *[G.R. Selvaraj (Dead), through LRs. versus K.J. Prakash Kumar & ors. (2025 INSC 1353.)]*

In this decisive ruling, the Supreme Court while setting aside the Madras High Court's decision, held that Order XXI Rule 90(3) of Code of Civil Procedure, 1908 would have an overriding effect barring the judgment

debtors from seeking invalidation of the sale wherein they could have raised an objection, at any time before the last sale proclamation.

The Court held that judgment debtors are prohibited from challenging a property sale at a later stage on the ground that only a portion of the asset needed to be sold if they failed to raise this precise objection before the final sale proclamation was issued. This procedural step is a mandatory precondition, and failure to comply forfeits the right to raise the issue subsequently. The ruling emphasizes that courts will not entertain belated challenges on grounds that were available during the proclamation stage.

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○ **Supreme Court clarifies Jurisdiction for Cheque Dishonour Cases: Home Branch Rule Affirmed**

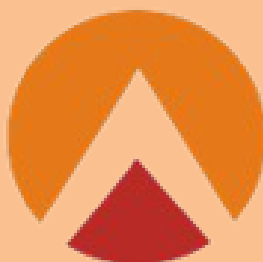
[Jai Balaji Industries Ltd. & ors. v. M/s HEG Ltd. (2025 INSC 1362)]

The Supreme Court of India has held that complaints arising from the dishonour of account payee cheques under Section 138 of the Negotiable Instruments Act, 1881 (“NI Act”) must be instituted before the court that has jurisdiction over the branch of bank where the payee maintains their account even if the cheque was deposited at another branch. The Court explained that while a cheque can be deposited at any branch of the payee's bank for convenience, for jurisdictional purposes, the deemed location of the transaction is the payee’s home branch upon dishonour.

In this case, a cheque issued by accused from Kolkata branch was dishonoured and the complainant, with its bank account in Bhopal branch had initially filed the case in Kolkata. Later, citing the provisions under 2015 amendment to the NI Act, the complaint was transferred for lack of jurisdiction. The Supreme Court allowed the present transfer petition filed by accused and directed that the matter shall be adjudicated in Kolkata as the trial had already reached the evidence stage.

	It held that while the 2015 amendment permits transfer to the correct jurisdiction, such transfer could have been allowed before the recording of evidence. Transferring a case at an advanced stage would cause procedural unfairness and prejudice. The ruling reinforces the "home branch" jurisdictional rule while balancing it with the principle of procedural fairness, preventing the disruption of trials that have substantially progressed. Read Here
○	Delhi High Court Mandates Human Oversight in RBI Ombudsman Complaints <i>[Sarwar Raza v. Ombudsman Reserve Bank of India & Anr, W.P.(C) 16659/2022 & CM APPL. 52510/2022]</i> Delhi High Court has issued sweeping systemic directions to the RBI and banks, condemning the mechanized, opaque rejection of consumer complaints by the RBI Ombudsman and holding banks directly accountable for harassment by recovery agents. The Court directed RBI to file an affidavit by January 15, 2026, ensuring (i) an end to automated rejections, requiring two-tier human review of complaints by legally trained personnel; (ii) to give an opportunity for complainants to rectify procedural errors in their submissions; and (iii) Ensure transparency by displaying a complaint escalation flowchart on websites. Read Here

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