

ALBA LAW OFFICES

Newsletter | December 2025

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HIGHLIGHTS OF THE MONTH

- **Central Government amends Patent Penalty Adjudication Rules**

[Key Procedural updates effective November 2025]

The Central Government has implemented significant procedural reforms to the penalty adjudication mechanism under the Patents Rules through the Patents (Amendment) Rules, 2025, which came into force on November 25, 2025. The amendment substitutes the entire Chapter XIV A concerning the adjudication of penalties and appeals, introducing key clarifications and changes while retaining the overall framework established in 2024.

A key procedural change concerns limitation for appeals. The 60-day appeal period will now run from the date on which the affected party receives the adjudicating officer's order, rather than from the date of issuance. The amendment also introduces new statutory forms. Complaints relating to contraventions of Sections 120, 122 and 123 of the Patents Act, 1970 must now be filed electronically in Form 32, while appeals must be filed in Form 33.

The rules under the amendment clarify that the three-month period prescribed for completion of inquiry will be computed from the date of issuance of the notice requiring appearance under Rule 107 C (3). Adjudicating officers and appellate authorities are expressly empowered to extend prescribed timelines, with or without costs. All communications and orders under Chapter XIV A must be issued electronically, and all final orders must be digitally signed and published online. Penalties recovered are to be credited to the Consolidated Fund of India.

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- **Delhi High Court affirms Patent Office refusal on obviousness grounds, denying protection for Diabetes formulation**

[Amylin Pharmaceuticals LLC & anr. v. Assistant Controller of Patents and Designs, 2025 DHC 10342]

The Delhi High Court dismissed an appeal filed by the Plaintiffs, Amylin Pharmaceuticals LLC and another, affirming the Indian Patent Office's refusal to grant a patent for a sustained release exenatide formulation used in

	diabetes treatment. The Court upheld the Patent Office’s finding that the claimed invention lacked an inventive step and was obvious to a person skilled in the art. The appeal concerned a 2011 application for a ready-to-inject formulation designed to release the drug ‘exenatide’ gradually, utilizing drug-loaded microspheres suspended in a non-aqueous, oil-based carrier. The Plaintiffs contended that the specific combination of features, including the use of medium-chain triglycerides with exenatide and sugar in defined proportions, was not disclosed in prior art. The Court, however, agreed with the Patent Office analysis that all essential elements were separately known. It was found that a skilled person, combining the teachings of prior art documents relating to microsphere delivery systems (D1) and pre-mixed exenatide-sugar formulations (D2), could arrive at the claimed invention through routine experimentation without inventive ingenuity. Applying the established test for inventive step, the Court concluded the formulation did not provide a technical advance over existing science. The refusal of the patent was therefore upheld. Read Here
○	Delhi High Court declines interim injunction to Novo Nordisk, permits manufacture and export of drug ‘Semaglutide’ by Dr. Reddy’s <i>[Novo Nordisk v. Dr. Reddy’s Laboratories Limited & Anr. (2025 DHC 10820)]</i> Delhi High Court has declined to grant an interim injunction to the Plaintiff, Novo Nordisk, in a patent infringement suit concerning pharmaceutical ingredient ‘semaglutide’. The Court held that the Plaintiff failed to establish a <i>prima facie</i> case of infringement of its species patent, given the strong and credible challenge to the patent, given the strong and credible challenge to the patent’s validity raised by the Defendants. The Court’s decision permits the Defendants to manufacture semaglutide in India and export it to countries where the Plaintiff does not hold patent rights. This allowance is conditional upon the Defendants continued undertaking not to sell the drug in the Indian market until the expiry of Plaintiff’s patent in March 2026. The Court noted that since the Plaintiff only imports the drug into India and does not manufacture it locally, the Defendant’s export activities would not cause immediate irreparable harm.

	In its reasoning, the Court found the validity challenge to be substantial. It observed that ‘semaglutide’ was disclosed in Plaintiff’s earlier genus patent, rendering the later species patent vulnerable on grounds of novelty and obviousness. The judgment referenced Plaintiff’s Form-27 filings as an admission of working the compound under the genus patent. The Court was critical of what it viewed as strategic “double patenting” or “evergreening” noting the inventors had developed ‘semaglutide’ around the time of the genus patent but sought a later species patent. However, the Court also noted procedural impropriety in the Defendants; failure to “clear the way” before commencing manufacturing. All observations are prima facie and will not bind the Court in the final adjudication of the suit. Read Here
○	Delhi High Court grants Hero MotoCorp injunction against “Destiny” Marks in electric two-wheeler dispute. <i>[Hero MotoCorp Limited v. Sunanda Greentech Private Limited, CS(COMM) 1271/2025.]</i> The Delhi High Court has restrained the Defendant, Sunanda Greentech Private Limited, from using the marks “Destiny”, “Destiny”, “Destiny Pro”, or “Dest Pro” for its electric scooters. In an ex-parte order, the Court found these marks deceptively similar to the Plaintiff’s, Hero MotoCorp’s registered “Destiny/Destini” trademarks for scooters, posing a high risk of consumer confusion. The Court found that the competing marks were deceptively similar and were used in respect of identical goods, namely two-wheelers. It held that such similarity was likely to cause confusion among consumers and create an erroneous association with the Plaintiff. The Court noted the Plaintiff’s prior adoption and longstanding registrations and observed that the Defendant’s choice of mark appeared calculated to benefit from the Plaintiff’s goodwill. Applying settled principles governing trademark infringement, the Court held that the Plaintiff had established a strong prima facie case and that the balance of convenience favoured protection of the Plaintiff’s rights. Irreparable injury was presumed in light of brand dilution. The injunction restrains all use of the impugned marks and any representation suggesting association with the Plaintiff, pending further orders. Read Here
○	Delhi High Court dismisses challenge to “HP” trademark registration <i>[Ganraj Enterprises v. Land Mark Crafts Ltd & Anr, 2025 DHC 10774]</i>

The Delhi High Court has dismissed an appeal filed by the Plaintiff, Ganraj Enterprises, challenging the validity of the Defendant's, Land Mark Crafts Ltd & Anr., registered trademark "HP" in relation to screws. The Court upheld the Defendant's registration, noting prior and continuous use since 2006, whereas the Plaintiff claimed use of "HP+" only from 2014.

The Court found the Plaintiff's evidence of use to be insufficient to displace the Defendant's statutory rights. It clarified that a territorial limitation attached to an earlier registration does not affect the scope of a subsequent unrestricted registration. The Court also observed that such territorial limitations do not prevent the registered proprietor from asserting common-law passing-off rights in other regions.

Finding no error in the Registrar's decision or in the reasoning of the lower forum, the Court dismissed the appeal and allowed the registration to stand.

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- **Bombay High Court dismisses appeal in 'Mahalaxmi' trademark case, citing litigant's delay**

[Kailash Masala Industries v. Organic Khandeshi Food Products, 2025:BHC- AUG:32996]

The Bombay High Court at Aurangabad has dismissed an appeal by the Appellant, Kailash Masala Industries, against the denial of interim relief in an infringement and passing-off suit concerning the mark 'Mahalaxmi' for its Masala products.

The Court emphasized that a litigant's conduct is a critical factor in such proceedings and declined to interfere due to the Appellant's own delays in prosecuting the underlying suit.

The Court noted that the civil suit had seen no progress for nearly four years and that the Appellant had failed to produce material allowing for a comparison of the rival marks. Relying on Supreme Court precedent, the bench held that a party cannot seek equitable relief while protracting litigation. It found no error in the trial court's conclusion that the Appellant failed to establish a prima facie case, balance of convenience, or irreparable loss. Consequently, the appeal was dismissed with costs of ₹10,000, and both parties were directed to cooperate for the suit's expedited disposal.

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○	Delhi High Court Division Bench reinstates trademark suit, upholds territorial jurisdiction <i>[Kohinoor Seed Fields India Pvt Ltd v. Veda Seed Sciences Pvt Ltd, 2025 DHC 10789 DB]</i> A Division Bench of the Delhi High Court has allowed an appeal by the Plaintiff, Kohinoor Seed Fields India Pvt. Ltd.’s, restoring its trademark infringement suit against the Defendant, Veda Seed Sciences Pvt. Ltd., and setting aside a Single Judge’s order that had returned the plaint for lack of territorial jurisdiction. The judgment clarifies key principles for establishing jurisdiction in trademark matters. The dispute centres on Plaintiff’s registered and unregistered marks such as ‘TADAAKHA’ and ‘SADANAND’ and ‘BASANT’ for cotton seeds, which it alleges are infringed by the Defendants’ similarly branded products. The Division Bench held that two factors conclusively established Delhi’s jurisdiction: Plaintiff’s trademark registrations were issued in Delhi, and a critical marketing agreement between the parties was executed there. It clarified that the situs of trademark registration is a valid basis for jurisdiction. The Court found that the subordinate bench had erred in returning the plaint, noting that the availability of the allegedly infringing goods on online platforms like India Mart within Delhi further supported jurisdiction. It emphasized that the question of the Defendant’s direct involvement in those listings was a matter for trial, not a threshold jurisdictional issue. Consequently, the appeal was allowed, the Single Judge’s order set aside, and Plaintiff’s suit was restored for adjudication on merits. Read Here
○	Calcutta High Court vacates interim orders in “PL SUPREME” trademark dispute <i>[Parul Ruparelia and Anr. v. Camme Wang and Anr. IP-COM/11/2025]</i> The Calcutta High Court has refused to grant an interim injunction to the Plaintiff, Parul Ruparelia and Anr., a Kolkata-based importer in a trademark infringement and passing-off suit concerning the mark “PL SUPREME” for torches. The Court held that the Defendant, Camme Wang and Anr., Chinese manufacturer is the prior adopter and rightful owner of the mark, thereby foreclosing any interim relief for the Plaintiff.

The Court found the Defendants evidence regarding creation and use of the mark since 2009 and exports to India since 2010 credible. It noted that the Plaintiff had purchased goods bearing the “PL SUPREME” mark from the Defendant before the claiming adoption of the mark in 2013. Emphasizing that trademark ownership ordinarily vests with the manufacturing source, the court concluded the Plaintiff failed to establish independent goodwill or that consumers associated the mark with them.

The Court also noted suppression of material facts by the Plaintiff and vacated all interim protections. Seized goods were directed to be returned to the Defendant.

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○ **Delhi High Court grants ex parte injunction protecting “DPS” as a well-known trademark**

[Delhi Public School Society v. Delhi Public School International Bhiwadi And Ors. CS(COMM) 1247/2025]

The Delhi High Court granted an ex parte ad-interim injunction in favour of the Plaintiff, Delhi Public School Society, restraining the Defendants, Delhi Public School International Bhiwadi And Ors. from using the name “Delhi Public School International”, the acronym “DPS”, and a torch-and-shield logo or any other mark deceptively similar to the Plaintiff’s registered trademarks.

Inference drawn below for reference:

Plaintiff’s Well-known Trademarks and Logos	Defendants No. 1 and 2’ No. 1 and 2 Impugned Trademark and Logo
DELHI PUBLIC SCHOOL DELHI PUBLIC SCHOOL INTERNATIONAL DPS DPS INTERNATIONAL	DELHI PUBLIC SCHOOL INTERNATIONAL DPS INTERNATIONAL BHIWADI
 	

The Court also directed suspension of the infringing domain name dpsibhiwadi.in. The Plaintiff demonstrated that its “DPS” marks stand declared as well-known trademarks and have been used continuously for decades in relation to educational services. The Court observed that the

Defendant was offering identical services to an identical class of consumers, namely students and parents seeking school education.

The Court noted that the Defendant's unsuccessful attempt to secure registration of its logo before the Trade Marks Registry indicated lack of bona fide adoption. Applying the principle of triple identity, the Court held that the Defendant's use was likely to cause confusion and result in dilution of the Plaintiff's goodwill. The balance of convenience was found to favour the Plaintiff, and irreparable harm was presumed in light of the reputation attached to the DPS name.

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○ **Bombay High Court grants interim relief to Marico in trade dress infringement case**

[Marico Limited v M/s. Minolta Natural Care and Others, IA(L) 28667/2025 in Commercial IP (L) 28094/2025]

The Bombay High Court granted an interim injunction in favour of Marico Limited, the Plaintiff, restraining Minolta Natural Care, the Defendant, from using packaging deemed deceptively similar to Plaintiff's renowned Parachute Jasmine and Hair and care hair oils. Reference:

Plaintiff's Product	Defendant's Products
	
	

The Court found the overall trade dress including the blue-and-white colour scheme, bottle shape, and floral artwork of Defendant's Sangini brand products created a likelihood of consumer confusion or deception. It emphasized that for common, daily- use products, buyers rely on general

	visual impression rather than a detailed examination. The Court dismissed defences of delay and jurisdiction, noting infringement is a continuing wrong. It held that the impugned marks are deceptively similar to the registered trademarks of the Plaintiff and are depicted in artworks which are substantial reproduction of the original artworks. The Court affirmed that trademark comparison must be based on the overall impression on an average consumer, applying the “anti-dissection” rule and dismissing a granular, side-by-side analysis. The judgment also neutralized technical defences, ruling that disclaimers in a registration do not remove disclaimed elements from the overall similarity assessment, and that a distinctive composite mark can be protected in its entirety. Read Here
○	Delhi High Court restrains sale of counterfeit S Chand publications on Flipkart <i>[S Chand and Company Ltd v. Kaushal Kumar and Ors CS(COMM) 1276/2025]</i> The Delhi High Court granted an ex parte ad-interim injunction in favour of the Plaintiff, S Chand and Company Ltd., restraining four online bookstores, the Defendants from selling counterfeit versions of the Plaintiff’s educational publications on the e-commerce platform Flipkart. The Court also directed Flipkart to take down the infringing listings. The Court found that the Defendants were offering pirated copies of the Plaintiff’s books while representing themselves as legitimate sellers. The Court noted that the Defendants listed addresses appeared non-existent or unverifiable, indicating a lack of bona fides and an intent to commercially exploit the Plaintiff’s goodwill. Upon establishing a prima facie case of copyright infringement and trademark misuse, the Court restrained the Defendants from reproducing, selling or dealing in the Plaintiff’s publications. Flipkart was ordered to remove the identified listings and to act within 72 hours on any future valid complaints from the Plaintiff’s regarding similar counterfeit sales by unidentified sellers. Read Here
○	DPIIT panel recommends licensing and royalty framework for AI training on copyrighted works

A committee constituted by the Department for Promotion of Industry and Internal Trade (“DPIIT”) has recommended a mandatory licensing and royalty payment framework for the use of copyrighted works in training large language models and other artificial intelligence systems. The committee rejected the proposal for a blanket copyright exception and instead advocated a structured licensing regime.

Under the proposed hybrid model, AI developers would be statutorily permitted to access lawfully acquired copyrighted content for training, subject to payment of royalties. A centralised, government-designated non-profit body, tentatively referred to as the Copyright Royalties Collective for AI Training, would collect and distribute royalties based on a registered database of works. Royalty rates would be fixed by a government-appointed committee, with provision for judicial review.

The committee reasoned that an opt-out model would disadvantage smaller creators and reduce transparency. It emphasised that fair remuneration is necessary to sustain India’s content ecosystem. The National Association of Software and Service Companies dissented, recommending explicit statutory protection for text and data mining. The recommendations have been released for public consultation for 30 days and are being considered amid pending litigation before the Delhi High Court on related issues.

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○ **The Delhi High Court decrees trademark and copyright infringement suit in favour of US Green Building Council**

[U.S. Green Building Council v. Deming Certification Services Pvt. Ltd. in (CS(COMM) 664/2022)]

The Delhi High Court recently decreed a suit in favor of the U.S Green Building Council (Plaintiff), holding that Deming Certification Services Pvt. Ltd (Defendant) had infringed the Plaintiff’s registered trademarks and copyright, and had attempted to pass off its services as those of the Plaintiff.

The Court found that the Defendant’s Marks i.e.,



and



are deceptively similar to the Plaintiff’s Marks, i.e.,



including the overall device, stylization, and use of identical abbreviations, and that substantial portions of content had been copied from the Plaintiff's website.

Noting the Defendant's persistent failure to file a written statement within the prescribed period and its repeated non-compliance with Court's directions, the Court exercised its powers under Order VIII Rule 10 of Code of Civil Procedure, 1908 and treated the Plaintiff's pleadings as unrebutted. The Court observed that the Defendant had adopted dilatory tactics and lacked *bona fides* throughout the proceedings.

Accordingly, the Court granted a permanent injunction restraining the Defendant from using the infringing marks and copyrighted content, and imposed exemplary damages of ₹10,00,000 along with costs, emphasizing that such conduct warranted strict judicial intervention to curb abuse of process and protect established trademark rights.

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○ **The Delhi High Court allows Nippon Steel's appeal clarifying scope of "proof of right" under the Patents Act, 1970**

Nippon Steel Corporation v. The Controller of Patents in (C.A.(COMM.IPD-PAT) 10/2025)

The Delhi High Court set aside the order of the Controller of Patents refusing Nippon Steel Corporation (Appellant) patent application on the ground of lack of "proof of right" under Sections 6 and 7 of the Patents Act, 1970 (Act). The refusal had been premised on the Controller's view that an employer-employee agreement could not constitute valid proof of right, particularly where one of the inventors had deceased.

The Court held that an employment agreement, when read together with corporate declarations and internal intellectual property regulations, can constitute sufficient proof of right under Section 7(2) of the Act.

It clarified that Section 68 of the Act, which governs assignment of granted patents, does not apply at the application stage, and that Section 6(1)(c) relating to legal representatives of deceased inventors was inapplicable where rights had already vested in the employer during the inventor's employment.

	Accordingly, the Court allowed the appeal, set aside the impugned order, and directed the Patent Office to proceed with examination and grant of the patent application in accordance with law. Read Here
○	Madras High Court rules High Court lacks jurisdiction to appoint an arbitrator in International Commercial Arbitration <i>[M/s China Datang Technologies and Engineering Company Limited v M/s NLC Limited, Arbitration O.P. (Com.Div.) Nos.141 & 333 of 2023]</i> The Madras High Court has set aside an arbitral award, holding that a High Court lacks the jurisdiction to appoint an arbitrator in an International Commercial Arbitration (“ICA”), even if both parties consent. The Court found such an appointment to be a nullity, rendering the entire proceeding and the resulting award invalid. The Court emphasized that Section 11(6) of the Arbitration and Conciliation Act, 1996 (“Act”), read with Section 11(12)(a), confers the exclusive power to appoint an arbitrator in an ICA solely on the Supreme Court. This provision is mandatory and non-derogable. Therefore, a High Court’s appointment, regardless of party agreement, suffers from an inherent lack of jurisdiction. The Court further held that this fundamental defect can be raised for the first time at the award challenge stage under Section 34 of the Act and is not cured by the parties; consent or their participation in the arbitration without objection. The decision nullified the entire arbitral process and the final award. Read Here
○	Supreme Court clarifies referral court’s role in examining non-signatory status in arbitration <i>[Hindustan Petroleum Corporation Ltd. v. BCL Secure Premises (P) Ltd. 2025 INSC 1401]</i> The Supreme Court clarified the scope of inquiry to be undertaken by a court while considering a petition for the appointment of an arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996, particularly where a non-signatory seeks to be referred to arbitration. The Plaintiff, Hindustan Petroleum Corporation Ltd., had entered into a contract with a third party, AGC Networks Ltd. The Defendant, BCL Secure Premises Pvt. Ltd., was a subcontractor engaged by AGC Networks and sought reference to arbitration against the Plaintiff.

The Bombay High Court had referred the parties to arbitration. The Supreme Court set aside that order, holding that a referral court must undertake a threshold examination to determine whether the non-signatory is a “veritable party” to the arbitration agreement. The Court held that such scrutiny is not excluded at the Section 11 stage and that the court must be *prima facie* satisfied with the existence of an arbitration agreement binding the non-signatory.

On facts, the Court found no privity of contract, no express or implied consent, and no intention to create legal relations between the Plaintiff and the Defendant. The ruling clarifies that while arbitral tribunals may ultimately rule on jurisdiction, the referral courts must first perform a threshold examination and cannot act as a “monotonous automation” by referring parties without examining non signatory claims at a *prima facie* level.

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○ **Delhi High Court dismisses DDA’s appeal, reinforcing limited scope of challenge under section 37 of Arbitration Act**

[Delhi Development Authority v. Harjinder Brothers, 2025 DHC 11225]

The Delhi High Court has dismissed an appeal filed by the Delhi Development Authority (DDA), the Appellant, against an arbitral award, reaffirming the limited scope of judicial intervention under Section 37 of the Arbitration and Conciliation Act, 1996. The Court held that an appellate court cannot re-evaluate evidence or merits of the case and can only interfere if the arbitral award shocks the conscience or suffers from patent illegality.

The dispute concerned a construction contract from 1994. The arbitrator had ruled in favour of the contractor, Defendants here, holding that Appellant’s encashment of a bank guarantee was unlawful and that the contractor was entitled to “watch and ward” security charges due to delays in Appellant taking possession. Appellant challenged the award under Section 34 and, after dismissal, appealed under Section 37.

The Court emphasized that the arbitrator’s interpretation was a “possible and reasonable” view of the contract. The Court found no perversity or contravention of public policy, noting that Appellant’s unilateral encashment of the guarantee without a contractual audit was improper, and the contractor’s security services were not a gratuitous act.

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○	Delhi High Court reiterates limited pre-referral scrutiny under Section 11; disputes on forgery to be decided by arbitral tribunal <i>[Sai Maa Vishnu Shakti Trust & Anr. v. Shri Satua Baba Ashram Trust & Anr. in (ARB.P.1495/2025 with O.M.P.(I) (COMM.) 264/2025)]</i> The Delhi High Court, in the present case, appointed a sole arbitrator to adjudicate disputes arising out of a settlement agreement, notwithstanding the respondents’ plea that the agreement containing the arbitration clause was forged. The Court examined the scope of its jurisdiction under Section 11 of the Arbitration and Conciliation Act, 1996 (Act), and reiterated that at the pre-referral stage, judicial scrutiny is confined to a prima facie examination of the existence of an arbitration agreement. Relying on the Supreme Court’s decision in <u>Vidya Drolia v. Durga Trading Corporation (AIR ONLINE 2020 SC 929)</u>, the Court emphasized that issues involving disputed facts, including questions relating to validity and genuineness of signatures, must be left to the arbitral tribunal. The Court reiterated that only in cases where the arbitration agreement is non-existent or invalid would a referral be refused; contested factual issues must be resolved by the arbitral tribunal after full pleadings and evidence. The Court held that allegations of forgery and requests for forensic examination fall outside the scope of Section 11 proceedings. Accordingly, the Court referred the dispute to arbitration, leaving all issues-including the genuineness of the settlement agreement, arbitrability of claims, and merits of the dispute-open for adjudication by the arbitral tribunal. Read Here
○	Supreme Court affirms limited Section 11 scrutiny holding individual consortium member may prima facie invoke arbitration <i>[Andhra Pradesh Power Generation Corporation Ltd. v. Tecpro Systems Ltd. & Ors. in (Civil Appeals arising out of SLP (C) Nos. 8998 and 13200 of 2023)]</i> The Supreme Court dismissed appeals challenging an order of the Telangana High Court appointing an arbitral tribunal under Section 11(6) of the Arbitration and Conciliation Act, 1996 (“Act”).

The dispute arose out of an EPC contract awarded to a consortium led by Tecpro Systems Ltd. (Respondent) for works at the Thermal Power Plant. The tender documents incorporated the General Conditions of contract containing an arbitration clause. Following execution delays, financial distress of the lead member, and initiation of insolvency proceedings against the Respondent, disputes arose regarding alleged breaches and outstanding claims. Respondent, in its individual capacity, invoked arbitration, which was opposed by Andhra Pradesh Power Generation Corporation Ltd and another consortium member on the ground that only the consortium-as a collective entity-could invoke the arbitration agreement.

The High Court, applying for a prima facie test, held that an arbitration agreement existed and referred the disputes to arbitration, leaving objections regarding Respondent's authority and capacity to invoke arbitration to be decided by the arbitral tribunal. This order was assailed before the Apex Court.

Upholding the High Court's approach, the Apex Court reiterated that the judicial scrutiny at the referral stage is confined to a prima facie examination of the existence of an arbitration agreement. Questions relating to capacity, authority, maintainability, and whether a consortium member is a "veritable party" to the arbitration agreement fall within the jurisdiction of the arbitral tribunal.

Accordingly, the Court affirmed the constitution of the arbitral tribunal and left all preliminary objections open for adjudication before the tribunal.

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○ **Delhi High Court holds Section 9 petitions maintainable despite RERA proceedings; clarifies doctrine of election**

[Rahul Bhargava & Ors. v. Neo Developers Pvt. Ltd. (FAO (COMM) 210/2025 and connected matters)]

The Delhi High Court recently set aside orders of the Commercial Courts dismissing petitions filed under Section 9 of the Arbitration and Conciliation Act, 1996 (Act), and restored Rahul Bhargava & Ors., the Appellants' right to seek interim protection pending arbitration.

The appellants had invested in commercial units in the respondent's project "Neo Square" at Gurugram under Builder Buyer Agreements and Memoranda of Understanding which assured fixed monthly returns until

leasing and possession. Although the entire sale consideration had been paid, disputes arose when the respondent stopped paying assured returns, raised unexplained fit-out charges, delayed possession, and threatened cancellation of allotments. The appellants approached Haryana Real Estate Regulatory Authority (HRERA), which passed final orders granting substantive reliefs in their favor, including payment of arrears and directions to hand over possession. The Respondent did not challenge these orders.

Apprehending creation of third-party rights and cancellation of allotments pending arbitration, the appellants filed petitions under Section 9 of the Act seeking interim injunctions. These petitions were dismissed by the Commercial Courts - one on the ground of lack of territorial jurisdiction and rest by applying the doctrine of election, holding that once remedies under RERA were availed, recourse to Section 9 was barred.

Allowing the appeals, the High Court held that the Commercial Courts had adopted an erroneous and overly technical approach. The Court clarified that proceedings under RERA and petitions under Section 9 of the Act operate in distinct legal spheres: while RERA adjudicates substantive statutory rights, Section 9 is confined to interim and protective reliefs aimed at preserving the subject matter of arbitration. The Court held that the doctrine of election applies only where remedies are identical and inconsistent, which was not the case here.

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○ **Government authorises SEBI to issue online content takedown directions**

[Notification dated December 08, 2025 - Ministry of Finance]

The Ministry of Finance has formally authorized the Securities and Exchange Board of India (“SEBI”) to issue takedown directives for online intermediaries under the Information Technology Act, 2000 and the applicable Rules.

The notification enables SEBI to direct removal or disabling of access to online content that violates securities laws or poses risks to investor protection and market integrity. Intermediaries covered include social media platforms, websites and digital publishers.

This move empowers SEBI to order intermediaries, including social media platforms, websites, and digital publishers, to remove or disable access to content deemed unlawful. The core focus is on protecting investors and

	ensuring the integrity of the securities market from harmful online information. Read Here
○	Bombay High Court holds Magistrates lack Power under IT Rules to block online content <i>[Dhyan Foundation v. Google LLC, 2025:BHC-AS:53891]</i> The Bombay High Court has ruled that a Magistrate cannot invoke Rule 10 of the Information Technology Rules, 2009 to order the blocking of online content. The Court clarified that the power to block content vests exclusively in the Central Government under Section 69A of the Information Technology Act, 2000. The case arose from a Magistrate's order obtained by Dhyan Foundation, the Plaintiff directing Google LLC, the Defendant to block allegedly defamatory YouTube videos. The Defendant challenged the order, arguing the Magistrate lacked jurisdiction. The Court agreed, noting that blocking content restricts fundamental rights to free speech and public access to information, and such power must be derived from a clear statutory provision with robust safeguards. The Court upheld the Sessions Court's stay on contempt proceedings against the Defendant and also condoned the delay of 116 days in filing the challenge, emphasizing a preference for resolving matters on merits over technicalities. Read Here
○	Supreme Court upholds landowners preferential rights in slum redevelopment, blocks acquisition for third-party builder <i>[Jyoti Builders vs. Chief Executive Officer & Ors. 2025 INSC 1372.]</i> The Supreme Court has dismissed an appeal seeking to compel the State of Maharashtra to acquire a plot reserved as a Recreational Ground in Mumbai for a private slum rehabilitation scheme. The Court reinforced that a landowner holds a statutory preferential right to redevelop slum-affected land under the Maharashtra Slum Areas Act, 1971, which must be exhausted before the state's power of compulsory acquisition can be invoked. The dispute involved Jyoti Builders, the Plaintiff here, which relied on a 2015 Slum Rehabilitation Authority (SRA) order to seek acquisition of the plot for its own scheme. However, the original landowner had subsequently sold the property to another developer, Alchemi Developers, which submitted its own rehabilitation proposal. The Court held that as long as the landowner (or its purchaser) is willing to exercise this preferential right by submitting a valid scheme, the state cannot proceed with acquisition for a third-party developer.

	Additionally, the Court explicitly prohibited any the construction on the disputed plot, directing that it must remain a Recreational Ground. Read Here
○	Supreme Court holds Public Premises Act prevails over State Rent Laws <i>[Life Insurance Corporation of India & Anr. V. Vita (and connected matters, 2025 INSC 1419.)]</i> The Supreme Court has unequivocally ruled that the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (“PP Act”) overrides State Rent Control Acts for evicting unauthorized occupants from public premises. In doing so, the Court overruled its 2014 decision in Suhas H. Pophale v. Oriental Insurance Co. Ltd. 2014 (4) SCC 657, which had created a distinction based on whether the tenancy commenced before the premises became “public”. A three-judge bench held that once premises fall under the PP Act definition and the tenancy is lawfully terminated, occupants cannot invoke state rent law protections and must be evicted under the PP Act & summary procedure. The Court reinstated the binding principle from the 1990 Constitution Bench in Ashoka Marketing Ltd. And Another vs. Punjab National Bank and Ors. 1990 (4) SCC 406, emphasizing that the PP Act is a special later law designed to protect public property, and its application does not depend on the date the tenancy began. The ruling clarifies the law and ensures a uniform eviction mechanism for government entities and public sector undertakings, removing the protection previously afforded to tenants under certain State laws based on the timing of their occupancy. Read Here
○	Bombay High Court holds CIDCO “Agreement to Lease” not chargeable as lease <i>[Deepak Fertilizers and Petrochemicals Corporation Ltd. V. Chief Controlling Revenue Authority & Ors. In (W.P. No. 5635 of 2005)]</i> The Bombay High Court set aside orders of the stamp authorities which had treated an “Agreement to Lease” executed with City and Industrial Development Corporation of Maharashtra Limited (CIDCO) as a lease for the purposes of stamp duty under the Maharashtra Stamp Act, 1958 (Act).

	The Court examined whether the instrument created a present and immediate demise in favor of the Petitioner, Deepak Fertilizers and Petrochemicals Corporation Ltd. On a holistic reading of the agreement, the Court found that the document merely granted a license to enter upon the land for construction purposes, with an obligation to execute a lease in the future upon fulfilment of specified conditions. The agreement expressly negated any present transfer of interest and contemplated execution of a formal lease deed at a later stage. The Court reiterated the settled distinction between an agreement to lease and a lease. It held that an executory agreement which does not affect a present demise is not chargeable to ad valorem stamp duty as a lease. Accordingly, the Court quashed the impugned order and demand for stamp duty, interest, and penalty, holding that the agreement was not liable to be stamped as a lease. Read Here
○	Supreme Court restores mutation based on registered will setting aside Madhya Pradesh High Court’s earlier decision <i>[Tarachandra v. Bhawarlal & Anr. In (Civil Appeal No. 15077 of 2025)]</i> The Supreme Court set aside the Madhya Pradesh High Court’s order which had interfered with concurrent mutation orders passed in favor of the Appellant on the basis of a registered will. The Appellant, claiming to be a legatee under a registered will executed by the deceased, applied for mutation under Sections 109 and 110 of the Madhya Pradesh Land Revenue Code, 1959. After issuing public notice and recording evidence of the attesting witnesses, the Tehsildar allowed the mutation. Appeals filed by an objector – who claimed possession on the basis of an unregistered agreement to sell – were dismissed by both the Sub-Divisional Officer and the Commissioner. In proceedings under Article 227 of the Constitution, the High Court set aside these mutation orders, holding that mutation could not be carried out on the basis of a will, and directed that the property be mutated either in the names of the legal heirs under the Hindu Succession Act, 1956, or in favor of the State Government. Allowing the appeal, the Supreme Court held that acquisition of rights through a will is a recognized mode under the Land Revenue Code as well as

	the 2018 Mutation Rules. It reiterated that mutation proceedings are summary and fiscal in nature and do not determine or confer title. The Court further held that the High Court exceeded its supervisory jurisdiction by interfering with well-reasoned concurrent orders of the revenue authorities, especially when the will was registered and no serious challenge was raised by the legal heirs. Accordingly, the mutation in favour of the Appellant was restored, subject to the outcome of any proceedings before a competent civil court. Read Here
○	Supreme Court rejects “moonshine” defence of pre-existing dispute under IBC <i>[M/s. Saraswati Wire and Cable Industries vs. Mohammad Moinuddin Khan and others 2025 INSC 1410]</i> The Supreme Court has restored the admission of an insolvency application, providing crucial guidance on what constitutes a valid “pre-existing dispute”; under the Insolvency and Bankruptcy Code, 2016 (“IBC”). The Court has clarified that a “pre-existing dispute” under Section 9 of the IBC must be a genuine and substantiated disagreement, not a “moonshine” defence raised merely to obstruct the Corporate Insolvency Resolution Process. Setting aside the National Company Law Appellate Tribunal order, the Court held that the Corporate Debtor’s own ledger which acknowledged the debt and its subsequent payment of ₹61 lakhs after receiving the statutory demand notice completely negated its belated claim of a pre-existing dispute over the quality of supplied goods. The Court emphasized that the Corporate Debtor failed to produce any material evidence to support its allegations. Read Here
○	NCLAT holds interest on Performance Bank Guarantee not payable unless Contract stipulates <i>[Kences Constructions Private Limited, Madala Srinivasu, Anita Madala vs. Ashish Vyas, Company Appeal (AT) (CH) (Ins) No. 554/2025]</i> The National Company Law Appellate Tribunal, Chennai (“NCLAT”), has ruled that a successful resolution applicant is not entitled to interest on a refunded Performance Bank Guarantee (“PBG”) unless the Letter of Intent or Request for Resolution Plan explicitly provides for it. The NCLAT emphasized that these documents form a binding contract governing the rights and obligations of the parties.

	The case arose after a resolution plan was approved and later scrapped, following which the appellant sought refund of its PBG along with interest. The NCLAT upheld the order of National Company Law Tribunal denying interest, holding that the Letter of Intent and Request for Resolution Plan constitute binding contractual terms. The NCLAT emphasised that contractual stipulations govern the rights of parties, and benefits not agreed upon cannot be claimed by implication. Read Here
○	Supreme Court upholds forfeiture of entire deposit for default in Liquidation Asset Purchase <i>[M/s. Shri Karshni Alloys Private Limited v. Ramakrishnan Sadasivan, 2025 INSC 1411]</i> The Supreme Court has held that the National Company Law Tribunal (“NCLT”) can order the forfeiture of the entire deposit paid by a purchaser who defaults on payments for assets acquired in a liquidation sale. The Court clarified that such a sale, conducted under the supervision of the adjudicating authority, is not a contract between the purchaser and the liquidator, and therefore Section 74 of the Indian Contract Act, 1872, which governs compensation and penalty in contracts, does not apply. The ruling arose from the liquidation of Surana Industries Ltd., where the purchaser, Plaintiff here, defaulted on payment deadlines despite repeated extensions. The NCLT had ordered the forfeiture of approximately ₹37.80 crore already paid by the purchaser. The Supreme Court dismissed the purchaser’s appeal, emphasizing the time-bound nature of the Insolvency and Bankruptcy Code and the NCLT’s inherent power under its rules to impose such forfeiture terms to ensure the integrity and expediency of the liquidation process. The Court also applied the doctrine against approbation and reprobation, noting that the purchaser, having accepted the conditional extension and made further payments, could not later challenge the forfeiture clause. Read Here
○	Delhi High Court quashes Section 138 NI Act proceedings where cheques were dishonored due to insolvency moratorium <i>[Farhad Suri & Anr. V. Praveen Choudhary & Ors. In (CRL.M.C. 1347/2021 and connected matters)]</i>

The Delhi High Court recently quashed criminal complaints and summoning orders issued under Section 138 of the Negotiable Instruments Act, 1899 (NI Act) in respect of cheques dishonored with the remark “ACCOUNT BLOCKED”.

The Court held that once corporate insolvency resolution proceedings commenced and a moratorium was imposed under the Insolvency and Bankruptcy Code, 2016 (Code), the directors ceased to have control over the company’s bank accounts. Consequently, cheques purportedly issued after commencement of Corporate Insolvency Resolution Process and liquidation could not be treated as validly drawn by the accused directors.

The Court also observed that the moratorium under Section 14 of the Code has overriding effect by virtue of Section 238 of the Code, and once such moratorium is in force, continuation of criminal proceedings premised on acts beyond the control of the company’s management would defeat the legislative scheme of insolvency resolution. The Court emphasized that vicarious liability under Section 141 of the NI Act cannot be mechanically fastened on directors when statutory intervention divests them of authority over the company’s affairs, including operation of bank accounts. Any contrary interpretation would render insolvency protections illusory and expose directors to penal consequences for acts attributable solely to operation of law.

The Court further clarified that dishonor of cheques on account of statutory blocking of accounts pursuant to insolvency proceedings does not amount to dishonor for “insufficiency of funds” under Section 138 of the NI Act. Accordingly, the essential ingredients of the offence were held to be absent, warranting quashing of the complaints and all consequential proceedings.

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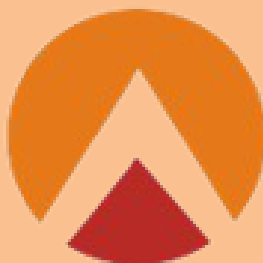
○ **Supreme Court holds GST exemption for Residential Leases extends to Hostel and PG accommodations**

[The State of Karnataka v Taghar Vasudeva Ambrish .2025 INSC 1380]

The Supreme Court has ruled that the Goods and Services Tax (“GST”) exemption for the “renting of residential dwellings for use as residence” applies even when the lessee is a commercial aggregator that sub-leases the property to provide hostel or paying guest accommodation. The decision clarifies that the exemption under Entry 13 of the GST Exemption

	Notification is based on the residential use of the property, not the personal use by the lessee. The case involved a lease of a residential building to an aggregator, which then sub- leased rooms to students and working women. Tax authorities had demanded 18% GST, arguing the exemption did not apply because the lessee did not occupy the premises as a residence. The Court rejected this interpretation, holding that the exemption is activity-specific and not person-specific. It emphasized that the legislative intent is to avoid taxing residential use, and imposing GST would ultimately burden the end-residents. The Court noted that a 2022 amendment, which now denies the exemption if the dwelling is rented to a GST-registered person, operates prospectively and does not affect past transactions. Read Here
○	Supreme Court clarifies that cash transaction violations do not invalidate cheque liability under Negotiable Instruments Act, 1881 <i>[Shine Varghese Koipurathu v. State of Kerala, Crl.A. No. 5385/2025]</i> The Supreme Court set aside a Kerala High Court ruling which had held that a debt arising from a cash transaction exceeding ₹20,000 could not constitute a legally enforceable debt under Section 138 of the Negotiable Instruments Act, 1881 (“NI Act”). The Court reiterated that violation of Section 269SS of the Income Tax Act (“IT Act”) attracts a fiscal penalty under Section 271D of the IT Act but does not render the underlying transaction void or unenforceable. Relying on its earlier decision in <u>Sanjabij Tari v Kishore Borcar</u>, the Court clarified that statutory presumptions under Sections 118 and 139 of the NI Act remain intact. Consequently, a cheque issued to discharge such a debt remains fully enforceable under Section 138 of the NI Act and criminal liability cannot be avoided solely on the ground of a tax law violation. Read Here

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