



ALBA LAW
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Newsletter

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MONTHLY ROUND-UP

(1) Haryana Government grants conditional exemption from opening/closing hour restrictions for establishments under the Haryana Shops and Commercial Establishments Act, 1958 [Notification No. 11/26/2025-4 Lab., dated 30.03.2026]

The Government of Haryana has issued a notification granting exemption to shops and commercial establishments from the operation of Section 9 (opening and closing hours) and Section 10 (close day) of the Haryana Shops and Commercial Establishments Act, 1958 (Shop Act), that register themselves online through the departmental portal based on self-certification, subject to the conditions specified below:

- Employees shall not be required to work for more than 48 hours in a week or 10 hours in a day.
- The total working period, including rest intervals, shall not exceed 12 hours in a day.
- Overtime wages must be paid at twice the normal rate.
- No employee shall work for more than six hours without a rest interval of at least 30 minutes.
- Establishments must comply with all applicable labour laws.
- The exemption does not override any orders or directions issued by other authorities, including police authorities.
- A copy of the notification must be displayed prominently at the workplace.

The notification also specifically provides that if an establishment intends to employ women employees during night shifts, i.e., between 08:00 PM and 06:00 AM, it must obtain a separate exemption under Section 28 of the Shop Act. However, such approval is subject to the safeguards and conditions prescribed under the earlier Notification dated 13.10.2025.

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(2) Insolvency and Bankruptcy Code (Amendment) Act, 2026

The Insolvency and Bankruptcy Code (Amendment) Act, 2026 was passed on March 30, 2026, to amend the Insolvency and Bankruptcy Code, 2016 (IBC). Some of the major amendments made by the Amendment Act are:

Admission of Corporate Insolvency Resolution Process (CIRP): Section 7(5) of IBC is substituted to mandate that the Adjudicating Authority (NCLT) shall, within 14 days of the receipt of an application, admit the application upon satisfaction of default, completeness of the application, and absence of any disciplinary proceedings against the proposed resolution professional. The Amendment Act expressly restricts rejection on any other grounds and recognises records from information utilities as sufficient proof of default.

Withdrawal of CIRP: Section 12A of IBC is substituted to restrict the withdrawal of CIRP applications. Withdrawal is now prohibited before the constitution of the Committee of Creditors (CoC) and after the first invitation for submission of a resolution plan has been issued by the resolution professional. However, the Adjudicating Authority [i.e., National Company Law Tribunal (NCLT) under Part II of IBC – Insolvency Resolution and liquidation of corporate persons] may allow the withdrawal of an application admitted on an application made by the resolution professional, with the approval of ninety per cent voting share of the CoC, in such manner as may be specified. This provision also prescribes a 30-day timeline for the disposal of withdrawal applications.

Moratorium clarification: Section 14 of IBC is amended to clarify that the moratorium applies even in cases where a surety seeks to proceed against the corporate debtor under a contract of guarantee.

Appointment of Resolution Professional (RP): A new sub-clause 3A in Section 16 of IBC has been inserted which specifies that where an application for CIRP is made, the Adjudicating Authority shall make a reference to Insolvency and Bankruptcy Board of India (IBBI) for the recommendation of an insolvency professional who may act as an Interim Resolution Professional.

Expanded role of persons and cooperation obligations: The Amendment Act substitutes Section 19(1) of IBC to expand the scope of persons obligated to extend assistance and cooperation to the Interim Resolution Professional. While the earlier provision was limited to existing personnel, promoters, and persons associated with the management of the corporate debtor, the amended provision extends this obligation to any person who is or has been personnel of the corporate debtor, its promoter, or associated with its management, and additionally includes persons engaged under a contract for service with the corporate debtor. The amendment also clarifies that such cooperation is required not only for managing the affairs of the corporate debtor but also for enabling the Interim Resolution Professional to perform duties conferred upon him.

Role of CoC in liquidation: The Amendment Act inserted a new sub-section (11) in Section 21 of IBC, which empowers the CoC to supervise the liquidation process. The new sub-section 11 specifies that where the liquidation process of the corporate debtor is initiated, the CoC constituted shall also supervise the conduct of the liquidation process by the liquidator.

Introduction of Section 28 regarding transfer of guarantor's assets: A new Section 28A has been introduced that enables the transfer of assets of personal and corporate guarantors during CIRP of the corporate debtor. The provision permits a secured creditor, who has taken possession of an asset of a guarantor by enforcing its security interest under applicable law, to allow such asset to be transferred as part of the CIRP of the corporate debtor, subject to prior approval of CoC.

The section further lays down a structured approval mechanism where the guarantor is independently undergoing insolvency or liquidation proceedings. In the case of a corporate guarantor, such transfer requires approval of its CoC by a minimum of sixty-six per cent voting share, and the proceeds are to form part of the CIRP or liquidation estate of the guarantor. In liquidation, such approval is necessary only where the secured creditor has relinquished its security interest to the liquidation estate. Similarly, where the personal guarantor is undergoing insolvency or bankruptcy proceedings and the creditor has relinquished its rights in the asset, approval of more than three-fourths in value of the guarantor's creditors is required, and the proceeds form part of the guarantor's insolvency or bankruptcy estate.

Amendments to Resolution Plan Framework: Section 30 of IBC is amended to introduce safeguards for dissenting financial creditors, ensuring minimum payouts aligned with liquidation value or waterfall distribution. Section 31 introduces provisions for staged approval of resolution plans and clarifies that approval extinguishes prior claims against the corporate debtor, subject to specified exceptions.

Clarification on Distribution Waterfall and Treatment of Secured Creditors and Government Dues: The Amendment Act introduces clarificatory explanations and illustrations to Section 53 of IBC, which governs the distribution waterfall in liquidation. Under Section 53(1)(b)(ii), an Explanation has been inserted to clarify that where a secured creditor relinquishes its security interest and the value of such security is less than the total debt owed, the creditor shall be treated as a secured creditor only to the extent of the value of the security interest, with the remaining unpaid portion of the debt being treated as unsecured.

Further, under Section 53(1)(e)(i), an Explanation has been inserted to clarify the treatment of government dues. It provides that all dues owed to the Central Government or State Government for a period of two years preceding the liquidation commencement date shall be distributed, irrespective of whether such dues are secured.

Additionally, the Amendment Act inserts Illustrations under Section 53(2) to clarify the treatment of contractual arrangements affecting distribution priority. The first illustration provides that any contractual arrangement which alters the statutory priority between workmen and secured creditors, by prioritising secured creditors over workmen, shall be disregarded. The second illustration clarifies that inter se contractual arrangements between secured creditors regarding priority of payments shall be recognised and not disregarded.

Introduction of Creditor-Initiated Insolvency Resolution Process (New Chapter IV-A):

The Amendment Act introduces a new Chapter IV-A in IBC, providing for a Creditor-Initiated Insolvency Resolution Process (CIIRP) as an alternative framework to the existing CIRP. This new chapter enables specified financial creditors to initiate insolvency proceedings with the consent of a prescribed majority of creditors.

The framework retains management of the corporate debtor with the existing management during the CIIRP, subject to oversight by a Resolution Professional, and prescribes a time-bound mechanism for completion of the resolution. It also incorporates safeguards such as an opportunity of hearing to the corporate debtor, defined voting thresholds, and a provision for conversion into the standard CIRP in case of failure or non-cooperation.

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(3) Promotion and Regulation of Online Gaming Rules, 2026 notified under the Online Gaming Act, 2025 [\[Promotion and Regulation of Online Gaming Act, 2025 and Rules, 2026\]](#)

The Central Government has notified the Promotion and Regulation of Online Gaming Rules, 2026 ("Gaming Rules") under the Promotion and Regulation of Online Gaming Act, 2025 ("Gaming Act"), establishing a statutory framework governing online gaming activities in India. The framework marks a significant shift in regulatory approach by prohibiting online money games and creating a structured regime for permissible online gaming.

Under the Gaming Act, all forms of online money games, including those involving games of skill or chance, are prohibited. The legislation also prohibits the advertisement, promotion, and facilitation of such games, as well as the processing of related financial transactions through banking and payment systems.

The Gaming Rules provide for the establishment of a central regulatory authority tasked with classification and registration of permissible online games. The authority is empowered to determine whether a game constitutes a prohibited money game, issue codes of practice, and oversee compliance by intermediaries and gaming platforms.

The framework also introduces a grievance redressal mechanism for users and imposes obligations on intermediaries to ensure that unlawful gaming platforms are not hosted or facilitated. Non-compliance attracts stringent penalties, including imprisonment and monetary fines.

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(4) Delhi HC Orders Removal of 'SOCIAL HOUSE' Mark for Non-Use; Rejects Claim of "SOCIAL" Being Generic [Impressario Entertainment and Hospitality Pvt. Ltd. v. Vardhaman Choksi and Ors [2026: DHC:2995]

The Delhi High Court has directed removal of the trade mark 'SOCIAL HOUSE' from the register on the ground of non-use, while simultaneously upholding the validity of multiple marks containing the term "SOCIAL" used by Impressario Entertainment and Hospitality Pvt. Ltd. (the Appellant). In a batch of rectification petitions and an appeal, the Court examined whether the impugned mark was liable to be cancelled under Section 47 of the Trade Marks Act, 1999 (the Act), and whether the term "SOCIAL" could be claimed as generic in the hospitality industry.

The principal issue before the Court was whether Vardhaman Choksi (the Respondent) had made genuine use of the mark in relation to the services for which it was registered i.e. Class 43 (restaurant or restaurant related services). The Court found that the Respondent had never used 'SOCIAL HOUSE' for restaurant services, but only in relation to events at his restaurant 'ESCOBAR', which fall under Class 41. Emphasising that use must be bona fide and in the relevant class of goods or services, the Court held that such use does not satisfy the statutory requirement under Section 47 of the Act. It further rejected the defence of "special circumstances" under Section 47(3) of the Act, holding that ongoing litigation or business decisions do not constitute external circumstances preventing use, and that the exception applies only where non-use is caused by factors beyond the proprietor's control.

On the issue of distinctiveness, it was held that the term "SOCIAL," though a common English word, had acquired distinctiveness and association with the Appellant's hospitality business through extensive and continuous use. Applying the "imagination test," the Court concluded that the mark is suggestive rather than generic in the context of hospitality services. The bench also took note of the Respondent's pattern of registering multiple marks without corresponding use, characterising it as trade mark squatting. Accordingly, the Court allowed the appeal, directed removal of the impugned mark from the register under Sections 47 and 57 of the Act, and dismissed all rectification petitions filed against the Appellant's marks.

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(5) Bombay High Court clarifies test of novelty and prior publication in design infringement [\[Atomberg Technologies Pvt. Ltd. v. Stove Kraft Ltd. \[2026: BHC-OS:9652\]\]](#)

The Plaintiff, Atomberg Technologies Pvt. Ltd., instituted a commercial suit before the Bombay High Court alleging infringement of its registered design under the Designs Act, 2000 ("Designs Act") in relation to a ceiling fan product. The Plaintiff contended that the Defendant, Stove Kraft Ltd., had introduced a competing product which replicated the essential features and overall appearance of its design, thereby amounting to unlawful imitation.

The Defendant opposed the claim and disputed the novelty of the Plaintiff's design. It was contended that the features relied upon by the Plaintiff were already known in the public domain and had been previously published. The Defendant further submitted that the similarities alleged were based on common design elements and did not constitute infringement when viewed in their entirety.

The Court examined the requirements of novelty and originality under the Designs Act and reiterated that protection is available only where the design is new or original and has not been previously disclosed. It also emphasised that comparison between competing designs must be based on the overall visual impression rather than isolated similarities.

On the facts, the Court found that the Plaintiff had failed to establish a prima facie case of infringement. It held that the balance of convenience did not favour grant of interim relief and that no irreparable injury had been demonstrated. Accordingly, the Court dismissed the interim application and vacated the interim protection earlier granted, directing release of the Defendant's goods.

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(6) Delhi High Court holds addition of house mark insufficient to avoid trademark confusion [\[Flipkart India Pvt. Ltd. v. Marc Enterprises Pvt. Ltd. \[2026: DHC:3004\]](#)

The Delhi High Court considered an appeal filed by the Appellant, Flipkart India Pvt. Ltd., challenging the grant of interim injunction in favour of the Respondent, Marc Enterprises Pvt. Ltd., in a trademark infringement dispute concerning the marks "MARQ" and "MARC". The Respondent, a manufacturer of electrical goods, asserted prior use and registration of the mark "MARC", while the Appellant adopted the mark "MARQ" for appliances sold on its platform.

The Appellant contended that its mark was visually and structurally distinct, particularly due to the stylised use of the letter "Q" and consistent use alongside its house mark "Flipkart". It was argued that such distinguishing features negated any likelihood of confusion.

The Court examined the principles governing deceptive similarity under the Trade Marks Act, 1999 and emphasised that phonetic and structural similarity remain critical factors in assessing likelihood of confusion. It held that the marks "MARQ" and "MARC" are phonetically identical and visually similar, and that the addition of a house mark does not obviate confusion where the competing marks themselves are deceptively similar.

On the facts, the Court found that the Respondent was the prior user of the mark and that the Appellant's adoption created a likelihood of confusion among consumers. The appeal was dismissed and the injunction upheld.

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(7) Supreme Court rules that abandonment of arbitration bars fresh proceedings on the same cause of action [Rajiv Gaddh v. Subodh Parkash, Civil Appeal arising out of SLP (C) No. 4430 of 2025]

In the present case, the Appellant (Rajiv Gaddh) and the Respondent (Subodh Parkash) jointly participated in an auction conducted by Jammu & Kashmir Bank for purchase of 550 marlas of land situated in Hoshiarpur, Punjab, with the primary bid being made through the Respondent's firm, M/s Aastha Trading Company, and financing arranged through a jointly controlled entity, M/s JMD Special Steel Pvt. Ltd., including a loan obtained from HDFC Bank secured by mortgaged properties. A tripartite agreement dated 20.03.2013 was executed between the parties and HDFC Bank to regulate the loan liability and release of mortgaged assets. Subsequently, on 02.04.2013, the parties entered into three agreements governing their inter se rights, including obligations relating to execution of sale deeds, settlement of financial arrangements, and shareholding in the Hoshiarpur land, each containing an arbitration clause.

The Respondent invoked arbitration in 2015, and an arbitral tribunal was constituted pursuant to orders of the Punjab and Haryana High Court. During the arbitration proceedings, the Respondent initially participated and filed claims; however, he subsequently raised allegations of bias, refused to accept the authority of the arbitrator, and expressly communicated his intention not to participate further. The arbitral tribunal proceeded with the matter and passed an award in June 2020, granting relief in favour of the Appellant while dismissing the Respondent's claims, with a limited opportunity to revive them, which was not availed.

Thereafter, the Respondent issued a fresh notice invoking arbitration in 2021 and filed a second application under Section 11(6) of the Arbitration and Conciliation Act, 1996 (Arbitration Act), seeking appointment of a new arbitrator. The High Court allowed the application, holding that issues such as res judicata could be examined by the arbitral tribunal. Aggrieved, the Appellant approached the Supreme Court.

The issue before the Supreme Court was whether a party, having abandoned earlier arbitral proceedings, could initiate a fresh arbitration on the same cause of action by filing a subsequent application under Section 11(6) of the Arbitration Act.

The Appellant contended that the Respondent had abandoned the earlier arbitral proceedings and was therefore barred from initiating fresh arbitration on the same cause of action. Reliance was placed on Order XXIII Rule 1 of the Code of Civil Procedure, 1908 (CPC), which prohibits the institution of fresh proceedings without liberty after withdrawal or abandonment.

The Supreme Court allowed the appeal and set aside the High Court's order. The Court held that the principles underlying Order XXIII Rule 1 of CPC apply to proceedings under Section 11 of the Arbitration Act, thereby barring the initiation of fresh proceedings on the same cause of action where earlier proceedings have been abandoned without liberty.

The Court found that the Respondent had clearly abandoned the earlier arbitration proceedings by refusing to participate and disclaiming the authority of the arbitral tribunal, and such conduct amounted to relinquishment of the claim.

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(8) Supreme Court Clarifies on "Seat" v. "Venue" of Arbitration; Jurisdiction Depends on Agreement, Not Place of Award [J&K Economic Reconstruction Agency v. Rash Builders India Private Limited, [2026 INSC 368]

The Supreme Court of India has reaffirmed that the seat of arbitration is determined by the agreement between the parties and cannot be displaced merely because arbitral hearings were conducted, or the award was pronounced, at another location. The Court held that a casual or isolated reference in an arbitral award to a different place of arbitration does not override the parties' express determination of the juridical seat.

The matter arose from an appeal challenging an order by the High Court of Jammu & Kashmir and Ladakh which had returned a petition filed under Section 34 of the Jammu & Kashmir Arbitration and Conciliation Act, 1997 for lack of territorial jurisdiction. The division bench of Supreme Court observed that once the seat of arbitration has been fixed by agreement, it remains unchanged unless the parties expressly agree otherwise. The Supreme Court examined precedents on the matter and reiterated the following principles governing distinction between the seat and venue of arbitration:

- The seat of arbitration constitutes the juridical home or legal place of arbitration. It determines the curial law governing the arbitral process and identifies the Court having supervisory control over the arbitration.
- Once the seat of arbitration is determined by agreement between the parties, the courts of that place have exclusive jurisdiction to adjudicate all the matters arising therefrom.
- The venue of arbitration is only the physical location where hearings, meetings, or witness examinations may take place for convenience. Conducting proceedings or passing of an award at a venue different from the seat does not transfer jurisdiction to courts of that venue.
- Once the seat is chosen, it remains constant unless the parties subsequently alter it through a clear and express agreement. In the absence of such agreement, the original designation continues to operate

- Applying these principles, the Supreme Court observed that the parties have consciously and expressly designated Srinagar as the seat of arbitration. Moreover, the surrounding circumstances also reinforce this conclusion. The contracts were executed in Jammu & Kashmir, and the works under the contracts were to be performed in Jammu & Kashmir; the arbitration was invoked within the State of Jammu & Kashmir; and the High Court of Jammu & Kashmir had appointed the arbitrator. These factors, according to the Court, clearly established that the arbitration was most closely connected with Srinagar.

The Court held that the fact that proceedings were conducted in New Delhi for convenience, or that the award was delivered there, did not and could not alter the juridical seat of arbitration. Accordingly, The Supreme Court set aside the High Court's order returning the Section 34 petition and held that courts at Srinagar alone had jurisdiction to hear the challenge to the arbitral award, being the courts of the agreed seat of arbitration.

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(9) Letter Of Intent Not A Concluded Contract; No Arbitration Agreement in Absence of Final Consensus [Maharashtra State Electricity Distribution Company Limited (MSEDCL) & Ors. v. R Z [2026 INSC 342]

The Supreme Court in this case has clarified that a letter of intent (LOI) does not by itself constitute a binding contract or arbitration agreement unless it reflects a clear intention to create legal relations. The dispute arose from a tender process where the respondent's bid was accepted through an LOI, but no work order was issued and no formal agreement was executed. Despite this, the Bombay High Court appointed an arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996 (Arbitration Act), treating the LOI and tender documents as constituting a concluded contract.

The Appellant, Maharashtra State Electricity Distribution Company Limited, challenged the appointment of an arbitrator by the Bombay High Court, which was based on an arbitration clause contained in tender documents. The Supreme Court overturned this finding, holding that the LOI in the present case was merely a "promise to make a promise", contingent on future steps such as issuance of a work order and execution of a formal agreement. Since these essential steps were never completed and no work commenced, there was no concluded contract or defined legal relationship between the parties. The Court further held that a general reference to tender documents in the LOI does not amount to incorporation of an arbitration clause, unless there is a specific and conscious intention to adopt such clause as required under Section 7(5) of the Arbitration Act.

Reiterating the limited scope of inquiry under Section 11 of the Arbitration Act, the Court observed that while courts ordinarily lean in favour of referring disputes to arbitration where an agreement prima facie exists, such reference is not warranted if no arbitration agreement can be said to exist. This case constitutes a narrow exception to the principle of minimal judicial interference. Accordingly, the Court set aside the appointment of the arbitrator while granting liberty to pursue other remedies.

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(10) Supreme Court Rejects Arbitration as Time-Barred After 21-Year Delay [State of West Bengal & Ors. v. M/S B.B.M. Enterprises [Civil Appeal No.4320 of 2026]

The Supreme Court set aside the initiation of arbitration proceedings between the State of West Bengal (Appellant), and the contractor (Respondent), holding that the claim was ex facie barred by limitation due to an unexplained delay of 21 years in invoking arbitration. The Court emphasised that while arbitration is encouraged as an effective dispute resolution mechanism, it remains subject to the foundational principle that the law assists those who act diligently.

The dispute arose from a contract completed on July 30, 2000, with the Respondent invoking arbitration only on June 2, 2022. The Calcutta High Court, under Section 11 of the Arbitration and Conciliation Act, 1996 (Arbitration Act), referred the matter to arbitration, citing contractual ambiguity, absence of a final certificate by the Engineer-in-Charge, and partial payment, and held that limitation would not apply as final determination of dues had not occurred.

The Appellant challenged this before the Supreme Court, which examined the applicability of the Limitation Act, 1963 (Limitation Act) in light of established precedent. The Court reiterated that Article 137 of the Indian Constitution governs applications under Section 11(6) of the Arbitration Act, prescribing a three-year limitation period, and clarified that limitation for such applications is distinct from limitation applicable to the substantive claim, both of which must be independently satisfied.

The Court found no requirement for detailed evidentiary examination and that the Respondent took no steps to pursue its claim or invoke arbitration for over two decades. Even if the said communication did not constitute final determination, the Respondent's prolonged inaction rendered the claim manifestly stale. Rejecting the High Court's view that the absence of a final certificate extended limitation, the Court held that any such omission should have been addressed by timely invocation of arbitration.

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(11) Delhi High Court sets aside arbitral award granting damages in absence of proof of loss [Indian Sugar Exim Corporation Limited v. Sakuma Exports Limited. [2026: DHC:3252]

The Delhi High Court considered a petition filed by the Petitioner, Indian Sugar Exim Corporation Limited, under Section 34 of the Arbitration and Conciliation Act, 1996 (the Act), challenging an arbitral award passed in favour of the Respondent, Sakuma Exports Limited, arising out of a commercial dispute relating to export obligations under a sugar supply arrangement. The principal issue before the Court was whether the arbitral tribunal was justified in awarding damages in the absence of substantiated evidence of loss.

The Petitioner contended that the arbitral tribunal had awarded damages without any supporting material on record and without demonstrating the basis for quantification. It was argued that such an award was contrary to settled principles governing grant of damages and amounted to patent illegality under Section 34 of the Act.

The Court examined the scope of interference under Section 34 and reiterated that while courts do not sit in appeal over arbitral awards, an award can be set aside where it suffers from patent illegality or where findings are unsupported by evidence. The Court emphasised that damages cannot be granted as a matter of presumption and must be founded on cogent evidence establishing actual loss or a legally sustainable method of computation.

On the facts, the Court found that the arbitral tribunal had failed to identify any evidentiary basis for the damages awarded. It held that the grant of damages was unsustainable and set aside the award to that extent.

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(12) The Supreme Court Clarifies: Even Losing Party Can Seek Interim Relief Under Section 9 of the Arbitration and Conciliation Act, 1996, Post-Award [[Home Care Retail Marts Pvt. Ltd. V. Haresh N. Sanghavi \(2026 INSC 415\)](#)]

In the present case, the question of law arises before the Supreme Court, through batch of appeal aggrieved from the order of multiple High Courts, whether a party that has lost in arbitration can seek interim relief after the award under Section 9 of the Arbitration and Conciliation Act, 1996 (Arbitration Act). While interpreting the applicable provisions of the Act, the Apex Court held that Section 9 of the Arbitration Act, which allows “a party” to approach courts for interim measures, makes no distinction between a successful and an unsuccessful party. The Supreme Court ruled that the expression “a party” must be given its ordinary meaning and cannot be judicially restricted based on the outcome of arbitration.

The Court emphasized that the object of Section 9 of the Arbitration Act is to ensure access to interim protection until the entire arbitral and enforcement process is complete. Section 9 of the Arbitration Act, expressly permits any party to approach the Court for interim measures at three stages: 1. Prior to the commencement of arbitration. 2. During the pendency of arbitral proceeding. 3. After the award has been rendered but before it is enforced.

Accordingly, the Supreme Court conclusively held that any party to an arbitration agreement including a losing party may seek interim measures under Section 9 of the Arbitration Act at the post-award stage.

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(13) Supreme Court rules that appeal against ex-parte decree does not bar application under Order IX Rule 13 of the Code of Civil Procedure, 1908 [Deepesh Maheswari & Anr. v. Renu Maheswari & Ors., Civil Appeal arising out of SLP (C) No. 11006 of 2021]

The present appeal stems from the suit of the Respondents (daughters of the deceased Omprakash Maheshwari) whereby the Respondents had initiated proceedings under Section 372 of the Indian Succession Act, 1925, seeking issuance of a succession certificate in respect of retirement dues. The Respondents claimed themselves to be the sole legal heirs, asserting that the deceased's wife had predeceased him.

The Appellant No.1 (minor son of the deceased) and Appellant No.2 (second wife of the deceased) were not impleaded in the proceedings despite the Respondents being aware of their existence, and no guardian was appointed to represent the minor. However, a succession certificate was granted by the court ex parte.

Subsequently, Appellant No.2 participated in appellate proceedings against the grant of the succession certificate, which were dismissed. Thereafter, upon attaining majority, Appellant No.1, along with Appellant No.2, filed an application under Order IX Rule 13 of the Code of Civil Procedure, 1908 (CPC) seeking the setting aside of the ex parte order. The application was rejected by the trial court, appellate court, and High Court on the ground that Appellant No.2 had already availed the appellate remedy, thereby barring recourse under Order IX Rule 13 of CPC. Aggrieved, the Appellants approached the Supreme Court.

The issue before the Supreme Court was whether the filing and dismissal of an appeal under Section 96 of CPC bars a subsequent application under Order IX Rule 13 of CPC seeking setting aside of an ex parte decree, and whether such application is maintainable in the facts of the case.

The Supreme Court held that the scope of proceedings under Section 96 and Order IX Rule 13 of CPC are distinct. While an appeal examines the merits of the decree, an application under Order IX Rule 13 of CPC enables a party to seek the setting aside of an ex parte decree by demonstrating sufficient cause for non-appearance.

The Supreme Court also held that mere filing or dismissal of an appeal does not bar the invocation of Order IX Rule 13 of CPC, and observed that the Madhya Pradesh High Court erred in treating the remedy as barred solely on account of prior appellate proceedings.

On facts, the Supreme Court found that the proceedings were vitiated by non-impleadment of the minor, who was a necessary party and was under legal disability at the relevant time. The Supreme Court held that a minor cannot be expected to respond to public notice or initiate legal proceedings independently, and failure to appoint a guardian rendered the proceedings defective.

Accordingly, the Supreme Court set aside the ex parte succession certificate, allowed the application under Order IX Rule 13 of CPC, and restored the matter for fresh adjudication, directing expeditious disposal.

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(14) Delhi High Court rules that legal research is not “sufficient cause” to condone delay [Ajit Kumar Gola v. State (GNCTD) & Ors., CRL.M.C. 1918/2024]

The Petitioner (appearing in person and a practising advocate) filed a petition under Section 482 Code of Criminal Procedure, 1973 (CrPC), challenging an order dated 19.01.2023 passed by the Sessions Court, whereby the matter had been remanded to the Trial Court for reappraisal of pre-summoning evidence and rehearing on the issue of summoning the accused.

The petition was accompanied by an application seeking condonation of the delay of 412 days. The Petitioner contended that there was no prescribed limitation period for invoking jurisdiction under Section 482 of CrPC and that the delay occurred as he required time to understand the impugned order and undertake legal research.

The Delhi High Court dismissed the application for condonation of delay and consequently the petition. The Court held that even in cases where no specific limitation period is prescribed, the petition must be filed within a reasonable time and cannot suffer from inordinate delay and laches.

The High Court observed that the Petitioner had failed to provide any satisfactory explanation covering the entire period of delay and had not disclosed any specific steps taken during the intervening period. Rejecting the explanation offered, the High Court held that the plea of requiring time to understand the impugned order and conduct legal research does not constitute “sufficient cause,” particularly when the Petitioner is a practising advocate, and accepting such explanations would dilute the doctrine of limitation and render the requirement of demonstrating “sufficient cause” meaningless.

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(15) Supreme Court held that a cheque dishonour complaint cannot be quashed at the pre-trial stage on the ground of no legally enforceable debt [Renuka v. State of Maharashtra & Anr., Criminal Appeal arising out of SLP (Crl.) No. 7829 of 2023]

In the present case, the Appellant (complainant) was involved in disputes with her husband concerning the alleged illegal transfer of shares. During settlement negotiations, it was agreed that the husband would transfer certain immovable properties and pay Rs. 50 crores upon execution of a declaration-cum-indemnity. To secure this arrangement, the second Respondent, a third party and associate of the husband, issued a cheque of Rs. 50 crores in favour of the Appellant.

Upon alleged breach of the settlement, the Appellant presented the cheque, which was dishonoured with the remark "payment stopped by drawer." A statutory notice under Section 138 of the Negotiable Instruments Act, 1881 (NI Act), was issued, followed by the filing of a complaint. The Magistrate, being satisfied that the statutory ingredients were fulfilled, took cognizance of the offence and issued a summon. However, the Sessions Court set aside the order on the ground that no legally enforceable debt existed, which was upheld by the Bombay High Court, leading to the present appeal.

The Appellant contended that once the foundational ingredients under Section 138 of NI Act were satisfied, the statutory presumption under Section 139 of NI Act operated in her favour, and the issue of enforceability of debt could only be examined during trial.

The Supreme Court held that at the stage of cognizance and issuance of summon, the court is only required to examine whether the basic ingredients of Section 138 of the NI Act are satisfied, namely, issuance of a cheque, its dishonour, issuance of a statutory notice, and failure to pay.

The Supreme Court emphasised that once these elements are established and the issuance of a cheque is not disputed, the statutory presumption under Section 139 of NI Act arises in favour of the complainant, including a presumption of the existence of a legally enforceable debt or liability.

It was held that such a presumption cannot be rebutted at the pre-trial stage merely on the basis of submissions by the accused. The question whether the cheque was issued towards a legally enforceable debt is a matter of evidence and must be adjudicated during trial. The Supreme Court also observed that prematurely concluding the absence of a legally enforceable debt would effectively nullify the statutory presumption even before trial, which is impermissible.

Accordingly, the Supreme Court set aside the orders of the Sessions Court and Bombay High Court and restored the complaint for adjudication on merits.

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(16) Supreme Court clarifies evidentiary appreciation in criminal conviction [\[Ramautar Singh v. State of Madhya Pradesh \[2026: MPHC-GWL:12596\]](#)

The Madhya Pradesh High Court considered an appeal filed by the Appellant, Ramautar Singh, challenging his conviction under the Indian Penal Code. The case arose from allegations of criminal conduct where the conviction was primarily based on witness testimony and circumstantial evidence.

The Appellant contended that the prosecution had failed to establish guilt beyond reasonable doubt and that the conviction was based on inconsistent and unreliable evidence. It was argued that material contradictions in witness statements had not been adequately considered by the courts below.

The Court examined the principles governing appreciation of evidence in criminal trials and reiterated that conviction must be based on credible and consistent evidence establishing guilt beyond reasonable doubt. It emphasised that while minor inconsistencies may not be fatal, material contradictions affecting the core of the prosecution case cannot be disregarded.

On the facts, the Court undertook a detailed evaluation of the evidentiary record and assessed whether the chain of circumstances and witness testimony met the required threshold for conviction. The judgment underscores the need for careful scrutiny of evidence to ensure that findings of guilt are not based on conjecture.

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(17) Supreme Court rules that a confirmed auction sale is not immune from judicial scrutiny with respect to its valuation [Vinay Raghunath Deshmukh V. Natwarlal Shamji Gada and Anr. (2026 INSC 416)]

The Supreme Court, while interpreting the scope of supervisory jurisdiction under the Constitution of India, set aside a Bombay High Court order that had interfered with an appellate court's decision in an eviction dispute. The original landlord had filed an eviction suit on the ground of bona fide requirement but failed to specify the exact nature of the intended business, leading to dismissal by the Trial Court. During the pendency of the appeal before the Small Causes Court, the landlord passed away. His legal heirs were impleaded and they sought amendment of the plaint to clarify the specific nature of the requirement, which the appellate court allowed.

The tenant challenged this before the Bombay High Court under Article 227 of the Constitution. The High Court accepted his contention, holding that the legal heirs could not continue the claim and would instead need to file a fresh eviction suit, as the landlord's need had extinguished upon his death. However, the Apex Court disagreed, emphasizing that Article 227 confers limited supervisory jurisdiction, and the High Court cannot act as an appellate authority to reassess facts or substitute its own findings unless there is a patent error or perversity.

The Court further held that by allowing amendment of the plaint, adequate safeguards were provided, including liberty to the tenant to amend the written statement and lead evidence. Therefore, the Supreme Court directed the case to the Trial Court and clarified that it has not examined the merits of the claim of either party and the same has to be decided in accordance with law.

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(18) Delhi High Court upholds termination of toll collection contract; reiterates limited scope of judicial review [Md. Karimunnisa v. National Highways Authority of India & Ors. [W.P.(C) 4817/2026]

The Delhi High Court considered a writ petition filed by the Petitioner, Md. Karimunnisa, challenging the termination of a toll collection contract awarded by the Respondent, National Highways Authority of India (NHAI), in respect of the Pawangaon Fee Plaza. The Petitioner contended that the termination was arbitrary and contrary to the contractual framework, particularly disputing the invocation of Clause 35(6) relating to “windfall gain”, on the ground that the project did not qualify as a “new user fee plaza”.

NHAI submitted that the contract expressly permitted termination upon the occurrence of specified contingencies, including situations where revenue collections exceeded prescribed thresholds triggering contractual provisions. It was argued that the decision was taken strictly in accordance with the contract and based on objective financial parameters.

The Court examined the scope of judicial review in contractual and tender matters under Article 226 of the Constitution of India. It reiterated that judicial review is confined to examining the decision-making process and does not extend to re-evaluating contractual or commercial decisions unless the action is shown to be arbitrary, mala fide, or contrary to law.

The Court found that the termination was based on contractual clauses and objective revenue data. It held that no arbitrariness or illegality was established and declined to interfere, upholding the termination of the contract.

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(19) Supreme Court held that the termination of a contract does not automatically warrant blacklisting; a separate notice is mandatory [M/s A.K.G. Construction and Developers Pvt. Ltd. v. State of Jharkhand & Ors., Civil Appeal arising out of SLP (C) No. 23858 of 2025]

The Appellant (a registered contractor with the Jharkhand Drinking Water and Sanitation Department) was awarded a contract on 06.03.2023 for the construction of an Elevated Service Reservoir (ESR). During execution, on 01.06.2024, the top dome of the under-construction reservoir collapsed. The Appellant attributed the incident to a natural calamity and offered to reconstruct the structure at its own cost.

The Department issued a show cause notice dated 04.06.2024, alleging negligence and poor quality of work. Multiple inquiry reports, including those based on expert inputs, concluded that the collapse resulted from construction deficiencies and deviation from approved designs. Based on these findings, the Department passed a common order dated 23.08.2024 terminating the contract, forfeiting the security deposit, cancelling registration, and blacklisting the Appellant for five years.

The Appellant's appeal and writ petition were dismissed by the Jharkhand High Court, which upheld both termination and blacklisting, leading to the present appeal before the Supreme Court.

The issue before the Supreme Court was whether blacklisting of a contractor can automatically follow termination of a contract, and whether such blacklisting without a specific show cause notice and independent application of mind is legally sustainable.

The Appellant contended that the termination and blacklisting were arbitrary and violative of principles of natural justice, particularly as no proper opportunity was granted and the show cause notice did not specifically propose blacklisting.

The Supreme Court partly allowed the appeal. The Court upheld the termination of the contract, finding that it was supported by cogent material and due process. However, the Court set aside the blacklisting order, holding it to be arbitrary and unsustainable.

The Supreme Court emphasized that termination and blacklisting operate in distinct domains; while termination pertains to the existing contractual relationship, blacklisting has future consequences, debarring the contractor from participating in government contracts. Given its stigmatic and exclusionary nature, blacklisting requires strict adherence to principles of natural justice.

The Supreme Court held that blacklisting is not an automatic consequence of termination and requires an independent decision based on the application of the mind. It further held that a valid blacklisting action must be preceded by a specific and clear show-cause notice indicating the intention to blacklist and affording an opportunity to respond.

Accordingly, while upholding the termination of the contract, the Court set aside the blacklisting order, directing that it shall cease to operate with immediate effect.

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(20) Supreme Court reiterates that findings of fact cannot be disturbed in second appeal under Section 100 CPC [Russi Fisheries P. Ltd. & Anr. v. Bhavna Seth & Ors. [2026 INSC 339]

The Supreme Court considered an appeal filed by the Appellants, Russi Fisheries P. Ltd. & Anr., challenging the decree for specific performance granted in favour of the Respondents, Bhavna Seth & Ors., arising out of an agreement to sell agricultural land. The trial court had dismissed the suit for specific performance while granting refund of advance consideration; however, the first appellate court reversed this finding and decreed specific performance, which was upheld by the High Court in second appeal.

The Appellants contended that the findings of the first appellate court were erroneous and not supported by evidence, particularly on issues relating to readiness and willingness and payment of consideration. It was argued that the High Court ought to have interfered in second appeal under Section 100 of the Civil Procedure Code, 1908 (CPC).

The Supreme Court examined the scope of interference under Section 100 CPC and reiterated that a second appeal lies only on a substantial question of law. It held that findings of fact, even if erroneous, cannot be disturbed unless they are perverse, based on no evidence, or suffer from a legal infirmity.

On the facts, the Court found that the findings of the first appellate court were based on evidence and did not meet the threshold of perversity. It held that the High Court was justified in declining interference and dismissed the appeal, thereby upholding the decree for specific performance.

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(21) Delhi High Court holds that non-payment of consideration is not a ground to cancel a registered sale deed [\[Akhilesh Gupta & Anr. v. Rajwans Vadehra \[2026 DHC 3189\]](#)

The Delhi High Court considered a suit filed by the Plaintiffs, Akhilesh Gupta & Anr., seeking cancellation of a registered sale deed executed in favour of the Defendant, Rajwans Vadehra, on the ground that the agreed sale consideration had not been paid. The Plaintiffs contended that the absence of payment rendered the transaction invalid and justified cancellation of the registered instrument.

The Defendant submitted that the sale deed had been duly executed and registered in accordance with the Transfer of Property Act, 1882 (TPA) and the Registration Act, 1908, and that title in the property stood transferred upon such execution and registration. It was argued that non-payment of consideration, if established, would give rise to a monetary claim but would not affect the validity of the conveyance itself.

The Court examined the statutory framework governing transfer of immovable property and the legal effect of a registered sale deed. It held that once a sale deed is validly executed and registered, it carries a presumption of validity and results in transfer of title, irrespective of whether the consideration has been fully paid. The Court clarified that non-payment of consideration does not, by itself, render the transaction void or voidable.

On the facts, the Court found that the Plaintiffs had not established any ground warranting cancellation of the registered sale deed. It held that the appropriate remedy, if any, would lie in recovery of the unpaid consideration and not in setting aside the conveyance.

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(22) Supreme Court examines challenge to land acquisition proceedings and scope of judicial review [\[Iftekar Ahmad v. State of Uttar Pradesh & Ors., \[2026: AHC:80259\]\]](#)

The Allahabad High Court considered a challenge to land acquisition proceedings initiated by the State of Uttar Pradesh, where the Petitioner, Iftekar Ahmad, alleged procedural irregularities and sought to set aside the acquisition.

The Petitioner contended that the acquisition process was not conducted in accordance with statutory requirements and that the proceedings were liable to be invalidated. The Respondents submitted that the acquisition had been completed in compliance with law and that the challenge was raised belatedly after the process had attained finality.

The Court examined the scope of judicial review in land acquisition matters and reiterated that interference is warranted only where there is a clear violation of statutory provisions or procedural safeguards. It observed that once acquisition proceedings are completed in accordance with law, courts should exercise restraint in unsettling such actions, particularly where public purpose is involved.

On the facts, the Court found no material irregularity or illegality in the acquisition process. It held that the challenge could not be sustained and declined to interfere.

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(23) Adjudicating Authority Must Ascertain Existence of a Plausible Pre-Existing Dispute When Examining an Application Under Section 9 of The IBC [GLS Films Industries Private Limited v. Chemical Suppliers India Private Limited [2026 INSC 344]

The Supreme Court held that while considering an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC), the adjudicating authority is only required to determine the existence of a plausible pre-existing dispute that is not spurious, hypothetical, or illusory. It clarified that such an inquiry is limited in scope and does not extend to examining the merits or likelihood of success of the dispute

GLS Films Industries Private Limited challenged the decision of the National Company Law Appellate Tribunal (NCLAT), which had reversed the National Company Law Tribunal's (NCLT) refusal to admit an application filed by, Chemical Suppliers India Private Limited (Respondent). The Supreme Court reiterated that the NCLT, at the stage of admission, exercises summary jurisdiction and is not expected to conduct a detailed adjudication of disputed facts.

The Court emphasised that once material is placed on record demonstrating the existence of a dispute prior to the issuance of the demand notice under Section 8 of the IBC, the application under Section 9 of IBC cannot be admitted. The requirement is only to establish that the dispute is real and not a sham; its legal sustainability or evidentiary strength is irrelevant at this stage. On facts, the Court noted that correspondence evidencing disputes predated the demand notice and indicated unresolved issues requiring reconciliation. It was further observed inconsistencies in the Respondent's claims regarding the amount allegedly due, supporting the existence of a genuine dispute. Subsequent communications and debit notes were viewed as insufficient to negate this position. Holding that the NCLT had correctly applied the settled principles, the Court concluded that the NCLAT exceeded its jurisdiction in reassessing the merits of the dispute. Accordingly, the order of the NCLAT was set aside and the decision of the NCLT was restored.

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(24) The Supreme Court hold Insolvency and Bankruptcy Code Cannot Be Used as a Debt Recovery Tool Against Solvent Companies [Anjani Technoplast Ltd. V.. Shubh Gautam (2026 INSC 410)]

The Hon'ble Supreme Court in this case, reiterated that Corporate Insolvency Resolution Process cannot be invoked under Insolvency and Bankruptcy Code, 2016 (IBC) as a substitute for executing a money decree, especially against a solvent and functioning company.

In the present case, the creditor who advanced a Rs. 2 crore loan to the debtor, after obtaining a money recovery decree from the Delhi High Court, initiated proceedings under Section 7 of IBC instead of pursuing execution, claiming the amount as a financial debt. While the National Company Law Tribunal (NCLT) declined admission of the application, the National Company Law Appellate Tribunal (NCLAT), set aside this decision and directed admission. Aggrieved, the appellant approached the Supreme Court challenging the NCLAT's order

The petition was dismissed by the Supreme Court on mainly four grounds:

- Decree holder under a separate class of creditor, does not automatically become "Financial Creditor" under Section 5(7) of IBC. To become a Financial Creditor the nature of debt shall fall within the ambit of Financial Debt as provided below.
- No enough evidences were produced to prove that it was a "Financial Debt", within the meaning of Section 5(8) of IBC, which requires that the amount be disbursed against consideration for the time value of money. In this case, the loan was given for a short period of time and could not establish that the amount were disbursed against consideration for the time value of money.
- The debtor was a solvent and a functioning enterprise with 95 full-time working employees.
- IBC is not a money recovery mechanism, and the creditor was misusing the insolvency proceeding against a solvent company

The Apex Court emphasised that IBC was enacted to provide for the reorganisation and insolvency resolution and not as a debt recovery legislation. Therefore, the Supreme Court set aside the NCLAT Order, and stated that the creditor has the liberty to pursue execution of money recovery decree in accordance with the law.

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(25) Corporate Guarantees Constitute Financial Debt Under the Insolvency and Bankruptcy Code, 2016 [[State Bank of India & Ors. V. Doha Bank Q.P.S.C & Anr. \(2026 INSC 423\)](#)]

In the present case, the Supreme Court, examined whether corporate guarantees issued by a Corporate Debtor qualify as “financial debt” under the Insolvency and Bankruptcy Code, 2016 (IBC), and whether lenders relying on such guarantees can be treated as financial creditors. The dispute arose during the Corporate Insolvency Resolution Process of Reliance Infratel Limited, where the SBI-led consortium filed claims based on the basis of corporate guarantees it had issued to secure loans availed by its group entities. These claims were rejected by the National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) on grounds including alleged non-disclosure, improper verification, timing of execution, and insufficient stamping of the corporate guarantees.

Reversing the NCLT and NCLAT’s decisions, the Supreme Court held that liabilities arising from corporate guarantees squarely fall within the ambit of “Financial Debt” under Section 5(8) of IBC, thereby entitling the consortium lenders to be recognized as financial creditors. The Apex Court clarified that the timing of execution during a period of financial stress or restructuring does not invalidate such guarantees. It further held that non-disclosure of guarantees in financial statements does not defeat the underlying liability, and that relevant documents may be produced even at the appellate stage. On the issue of stamping, the Supreme Court reiterated that insufficient stamping is a curable defect and does not render the instrument void or unenforceable.

The Supreme Court found the conclusions of the NCLT and NCLAT to be perverse and legally unsustainable, particularly in disregarding material evidence and proper verification carried out by the resolution professional. Accordingly, it set aside the impugned orders, recognized the SBI consortium as financial creditors, and directed reconstitution of the Committee of Creditors.

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(26) Interim Resolution Professional's Admission of Claims under Insolvency and Bankruptcy Code Does Not amount to Acknowledgment of Claims and Extension of Limitation Under the Coden [Shankar Khandelwal v. Omkara Asset Reconstruction Pvt. Ltd. (2026 INSC 429)]

The Supreme Court in this case, addressed a crucial issue focused on whether an application under Section 7 of Insolvency and Bankruptcy Code, 2016 (IBC) was filed within the prescribed limitation period and whether certain events could extend or revive limitation. The Court reaffirmed that limitation under Article 137 of the Limitation Act, 1963 (Limitation Act) begins from the date of default, i.e., when the account is classified as Non-Performing Asset.

A key issue before the Apex Court was whether the admission of a claim by the Interim Resolution Professional (IRP) during a prior Corporate Insolvency Resolution Process could constitute an "acknowledgment" under Section 18 of the Limitation Act, which recognises that a written and signed acknowledgment of liability made before the expiry of the limitation period gives rise to a fresh period of limitation from the date of such acknowledgment.

The Supreme Court rejected this contention, holding that for a valid acknowledgment, there must be a conscious and unequivocal admission of liability by the debtor or an authorized person before expiry of limitation. A mere reference to a past transaction or a bald recital of a debt, without an intention to admit liability, would not suffice for extension of limitation under Section 18 of the Limitation Act. The IRP or Resolution Professional performs only an administrative function of claim collation and verification, and such admission does not reflect any intent to acknowledge liability. Therefore, IRP's admission of debt does not extend limitation, nor can it revive a time-barred claim.

Accordingly, the Apex Court, while setting aside the orders passed by National Company Law Tribunal and National Company Law Appellate Tribunal erred in treating the claim as within limitation based on such acknowledgments, held that the application was barred by limitation, and accordingly allowed the appeal.

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(27) Supreme Court Upholds Bank's 'Deficiency in Service' for Delay in Cheque Presentation Under Consumer Protection [Canara Bank v. Kavita Chowdhary, 2026 INSC 363]

The Supreme Court upheld the finding that failure by a bank to present a cheque within its prescribed validity period, without reasonable explanation, constitutes "deficiency in service" under the Consumer Protection Act, 2019. The dispute arose after the respondent deposited two cheques which were returned due to a bank strike, but were not re-presented by the bank within the remaining validity period. The National Consumer Disputes Redressal Commission had held the bank liable and awarded compensation, which was challenged before the Supreme Court.

The principal issue before the Court was whether the delay in re-presentment could be excused under Section 75A of the Negotiable Instruments Act, 1881, and whether such delay constituted negligence amounting to deficiency in service under consumer protection law. The Court held that while delay due to circumstances such as a bank strike may initially be excusable, the bank is under a continuing obligation to act within a "reasonable time" once such circumstances cease. In the present case, despite having sufficient time after the strike ended, the bank failed to re-present the cheques before expiry of their validity, without any satisfactory explanation.

The Court emphasised that a bank acts as an agent of the customer and is required to exercise due diligence in handling negotiable instruments, failing which it would amount to deficiency in service. On the issue of compensation, the Court held that while the respondent had suffered loss of opportunity to pursue remedies, including proceedings under Section 138 of the Negotiable Instruments Act, 1881, the actual loss remained uncertain and speculative. Applying principles of reasonable compensation, the Court reduced the compensation awarded by the Commission from 10% to 6% of the cheque amount, holding that compensation must be fair, proportionate, and commensurate with the nature of injury suffered, and not based on conjecture. Accordingly, the appeal was partly allowed to the extent of modification of compensation.

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