

ALBA LAW OFFICES

Newsletter | April 2025

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HIGHLIGHTS OF THE MONTH

- **The Delhi High Court has granted a permanent injunction in favour of 'Tata Copper+ Water'**

[Tata Sons Private Limited & Anr. vs. Malla Rajiv (CS(COMM) 129/2024)]

The Delhi High Court has granted a permanent injunction in favour of Tata Sons Private Limited ('**Plaintiff**'), prohibiting M/s. JK Enterprises and its proprietor, Malla Rajiv ('**Defendant**'), from infringing the trademark and copyright of Tata's packaged mineral water product, 'Tata Copper+ Water,' through their product 'JK Copper+ Water.'

The Defendant, marketing and selling packaged drinking water under the brand name 'JK Copper+ Water,' was found to have copied the essential features of Plaintiff's trade dress, including its unique packaging and artistic work. The Court recognized Plaintiff's long-standing reputation and goodwill, built since 2012, as India's first nutrient packaged drinking water. It concluded that the striking similarities between the two products were intended to mislead consumers and traders, misappropriating Plaintiff's goodwill. In addition to permanently restraining the Defendant from using the Plaintiff's trademark, the Court ordered the Defendant to pay Rs. 10 lakh in damages to the Plaintiff.

- **The Delhi High Court has granted a permanent injunction in favour of Indian Hotels Company Limited (IHCL)**

[Indian Hotels Company Limited vs. Ankit Sethi & Ors. (CS(COMM) 882/2023)]

The Delhi High Court has granted a permanent injunction in favor of Indian Hotels Company Limited (IHCL), part of Tata Group and owner of the Ginger hotel chain, against trademark and copyright infringement by fraudulent websites operated by Ankit Sethi and others (Defendants). The fake websites, *gingerhotelmumbai.info* and *hotelgingermumbai.info*, misled customers into believing they were affiliated with IHCL's official *gingerhotels.com*.

The Court found that the Defendants maliciously used IHCL's 'Ginger' trademarks, photographs, and website content, including forged receipts, to deceive consumers into making payments for false hotel bookings. IHCL's Ginger brand, established in 2004, has substantial goodwill, which the Defendants sought to exploit.

On December 13, 2023, the Court issued an ex-parte injunction, which is now made permanent, ordering the removal of the impugned websites, suspension of their domains, and freezing of associated bank accounts. The Court recognized the Defendants' actions as trademark and copyright infringement, as well as passing off, likely to confuse consumers and misappropriate IHCL's market reputation. The Defendants were ordered to jointly pay Rs. 20 lakhs in damages to IHCL, safeguarding the company's intellectual property and protecting consumers from deception.

○ **The Delhi High Court has ordered the removal of the 'Purple Tree' trademark from the Register of Trade Marks**

[Manash Lifestyle Private Limited vs. Viraj Harjai & Anr. (C.O. (COMM.IPD-TM) 212/2024)]

The Delhi High Court has ordered the removal of the 'Purple Tree' trademark from the Register of Trade Marks following a rectification petition filed by Manash Lifestyle Private Limited, the owner of the online beauty and wellness store 'Purple.'

Manash Lifestyle, the Petitioner, using the 'Purplle' mark since 2011, discovered that Viraj Harjai (Respondent No. 1) had applied for the 'Purplle Tree' mark for essential oils in Class 3, which was initially objected to by the Trade Marks Registry under Section 11 of the Trade Marks Act, 1999 due to its similarity with Petitioner's registered marks. However, further inspection revealed that 'Purplle Tree' had been registered in Classes 14 and 4 on a 'proposed to be used' basis. The Petitioner sought rectification, arguing that the addition of 'Tree' was minimal and non-distinctive, constituting infringement, passing off, and unfair competition.

The Court found 'Purplle' to be a distinctive and arbitrary mark, with 'Purplle Tree' being deceptively similar and likely to confuse consumers. The Court noted the Respondent had copied 'Purplle' and added 'Tree' as an insufficient distinguishing factor, with no evidence of *bona fide* use, indicating *mala fide* intent. The Court ruled that the 'Purplle Tree' mark conflicted with Petitioner's prior rights, resulting in trademark infringement and unfair competition.

○ **The Delhi High Court has granted a permanent injunction in favour of L'Oreal SA**

[L'Oreal SA v. Ashok Kumar & Ors. (Neutral Citation No. 2025:DHC:2155)]

The Delhi High Court has granted a permanent injunction in favour of L'Oreal SA (Plaintiff), a renowned French cosmetics brand, against the unknown Defendant(s) operating a rogue website, www.lorealglobal.in. The Defendant No.1 was found to have infringed Plaintiff's registered trademark by impersonating the company, replicating its branding, and engaging in fraudulent activities .

Plaintiff, which has used its trademark "L'Oreal" globally since 1900 alleged that the Defendant No. 1 was using the domain www.lorealglobal.in to impersonate the company, engaging in fraud and misleading the public. Evidence showed the Defendant No.1 attempted to procure goods worth approximately Rs. 1 crore from one Nicholas Healthcare Limited using forged

documents, including a fake GST certificate, incorporation certificate, and a cancelled cheque in the name of Plaintiff's Indian subsidiary.

The Court compared Plaintiff's official website (www.loreal.com) with the Defendant No.1's site (www.lorealglobal.in) and found striking similarities in logos, layout, and essential features that could mislead consumers. Additionally, the use of email addresses such as "paresh.deshmukh@lorealglobal.in" and "ashwini.r@lorealglobal.in" indicated an attempt to impersonate Plaintiff's employees.

The Court highlighted the Defendant No.1's fraudulent issuance of fake purchase orders under L'Oreal's name as evidence of mala fide intent. The Court, noting the Plaintiff's global reputation and goodwill and in absence of a written statement by the Defendant No. 1, issued a summary judgment. The Court held that the Defendant No.1's actions constituted trademark infringement and passing off, issuing a permanent injunction restraining the unknown Defendant(s) from using Plaintiff's trademark or any similar mark and ordering the Defendant No.1 to pay Rs. 1 lakh in costs to the Plaintiff. It also directed the Domain Name Registrar, NIXI (Defendant No. 2), to prevent any domain registrations using the "L'Oreal" mark under ".co.in" or ".in" extensions.

○ **The Bombay High Court Grants Relief to HUL in counterfeit toothpaste case**

[Unilever Global IP Limited & Anr V. Ashok Kumar [I.A. (L) No. 8904/2025 & Leave Petition (L) No. 9646/2025; Commercial IP Suit (L) No. 8733 of 2025]

The Bombay High Court granted ex-parte ad-interim relief to Hindustan Unilever Ltd (HUL) in a case involving counterfeit and contraband oral care products. In the instant case, HUL discovered counterfeit products being sold under its registered trademarks — Closeup, Pepsodent, HUL, Hindustan Unilever, and the U-Logo in markets across Indore and Ranchi. It was found that some products were illegally imported from Nepal, adding a contraband

element to the case. The counterfeit items were so closely imitated that they resembled genuine HUL products, including packaging and design elements. The company argued that this posed a serious threat to its brand reputation and consumer trust.

The Court acknowledged that there was enough evidence to support HUL's claims and noted that the case involved both counterfeit and illegally imported goods. Citing irreparable harm and a balance of convenience in HUL's favor, the Court restrained unknown parties from manufacturing, packaging, or distributing oral care products under HUL's trademarks or designs. A Court Receiver and Additional Special Receivers were appointed to seize and inventory the counterfeit and contraband goods separately.

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- **The Delhi High Court orders in favour of Harley-Davidson's "Eagle" logo against a habitual offender**

[H-D U.S.A., LLC v. Vijaypal Dhayal, (Neutral Citation 2025:DHC:2489)]

In the present case, the Delhi High Court addressed a trademark infringement dispute involving the unauthorized use of Harley-Davidson's iconic "Eagle" logo by a shoe manufacturer. The plaintiff, Harley-Davidson LLC, a globally recognized motorcycle manufacturer, alleged that the defendant was selling footwear bearing a logo strikingly similar to its registered "Eagle" emblem, thereby infringing upon its trademark rights.

The court observed that the defendant's logo closely mirrored Harley-Davidson's "Eagle" logo, incorporating similar artistic elements and overall presentation. This resemblance was likely to cause confusion among consumers, leading them to associate the defendant's products with those of the plaintiff. Justice Amit Bansal noted that such unauthorized use could dilute the distinctiveness of Harley-Davidson's trademark and damage its reputation.

Furthermore, the court highlighted that the defendant had a history of infringing upon established brands, often selling such products through third-party platforms. Despite multiple opportunities, the defendant failed to submit a written statement or contest the allegations, leading the court to proceed with a summary judgment.

Consequently, the Delhi High Court granted a permanent injunction against the defendant, restraining them from using the infringing logo. Additionally, the court awarded ₹5,00,000 in damages and costs to Harley-Davidson.

- **The Delhi High Court rules that PPL cannot grant public music licenses without copyright society registration**

[Azure Hospitality Pvt. Ltd. v. Phonographic Performance Ltd. (FAO(OS)(COMM) 41/2025)]

In the present case, the Delhi High Court's Division Bench examined whether Phonographic Performance Ltd. (PPL), an organization that issues music licenses on behalf of multiple record labels, can continue issuing public performance licenses without being registered as a copyright society under Section 33 of the Copyright Act, 1957 (the Act).

PPL argued that it was entitled to license the music as an assignee under Section 18 of the Act. Azure Hospitality, on the other hand, claimed that PPL was acting against the law by functioning as a licensing body without registration.

The High Court's findings are listed in brief below.

1) Registration is Mandatory for Licensing Businesses:

The Court ruled that PPL cannot rely solely on its assignments under Section 18 to issue licenses. Since it is engaged in the business of issuing bulk licenses on behalf of over 400 music labels, it falls squarely under Section 33(1) of the Act, which requires registration as a copyright society.

2) Section 30 Rights Are Limited by Section 33 of the Act:

While Section 30 allows a copyright owner to grant licenses, this right is limited by Section 33 of the Act if the owner is running a licensing business. Simply being an assignee does not exempt PPL from this requirement.

3) PPL's Business Model Violates the Law:

PPL's large-scale licensing operations go beyond what an individual copyright owner is allowed. Since it is no longer a registered copyright society and was denied re-registration after 2012, it cannot issue public performance licenses.

4) Legislative Intent and Public Oversight:

The Court emphasized that Section 33 was introduced to prevent cartelization, monopolistic control, and lack of transparency in tariff structures. Allowing unregistered entities to issue licenses would undermine this purpose.

The Delhi High Court held that PPL must be registered under Section 33 of the Act to carry on the business of issuing music licenses. It cannot rely on assignment rights or Section 30 of the Act to avoid regulatory oversight.

- **The Delhi High Court holds that irrespective of the principal address of a company, a suit is only maintainable where the cause of action actually arose**

[Kohinoor Seed Fields India Pvt. Ltd. v. Veda Seed Sciences Pvt. Ltd., [(Neutral Citation 2025:DHC:2593)]

In the present case, the Delhi High Court addressed the issue of territorial jurisdiction in trademark infringement suits. The plaintiff, Kohinoor Seed Fields, headquartered in Delhi, filed a suit seeking a permanent injunction against Veda Seed Sciences, alleging unauthorized use of certain trademarks. The defendant challenged the jurisdiction of the Delhi High Court, arguing

that the alleged infringement occurred outside Delhi, where the plaintiff also had operational offices.

Justice Amit Bansal, presiding over the case, examined the circumstances and noted that although the plaintiff's principal office was in Delhi, the cause of action did not arise there. The court emphasized that for a suit to be maintainable in a particular jurisdiction, the cause of action must have occurred within that territory. In this instance, the alleged infringing activities took place in regions where the plaintiff had subordinate offices, not in Delhi.

The court further observed that the plaintiff attempted to establish jurisdiction in Delhi by referencing the execution of a marketing agreement in the city and by highlighting the availability of the defendant's products on online platforms accessible in Delhi. However, the court determined that these factors were insufficient to confer jurisdiction, especially when the actual infringing activities and business operations were centred elsewhere.

Consequently, the Delhi High Court concluded that it lacked territorial jurisdiction over the matter. The court ordered the return of the plaint under Order VII Rule 10 of the Civil Procedure Code, directing the plaintiff to file the suit in the appropriate jurisdiction where the cause of action genuinely arose.

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- **The Supreme Court clarifies legal boundaries between copyright and design law in a two-pronged approach**

[Cryogas Equipment Private Limited v. Inox India Limited & Ors. (Neutral Citation: 2025 INSC 483)]

The dispute between the parties centered on the alleged copyright infringement of engineering drawings related to LNG (Liquefied Natural Gas) storage and distribution systems. The dispute raised important questions regarding the overlap between copyright and design protections under Indian law.

At the heart of the matter was Section 15(2) of the Copyright Act, 1957, which limits copyright protection for unregistered designs that are industrially reproduced more than fifty times. Inox contended that the engineering drawings were "artistic works" eligible for copyright protection. In contrast, Cryogas maintained that the drawings constituted unregistered designs and, having been industrially reproduced, fell outside the scope of copyright protection.

To address the legal complexity, the Supreme Court established a two-pronged approach:

1) Interpretation of Section 15(2) of the Copyright Act

- a. Determine whether the work is a purely 'artistic work' protected under the Copyright Act, or
- b. assess whether it is a 'design' derived from such an artistic work and subject to industrial reproduction, thereby invoking Section 15(2).

2) Assessment of Functional vs. Aesthetic Purpose

The Court must assess whether the work's primary purpose is functional or aesthetic. If the work lacks copyright protection, its utility becomes central: if the function dominates, the Design Act, 2000 does not apply. For the Design Act to be relevant, the aesthetic value of the object must be a defining feature.

The Supreme Court emphasized that the Copyright Act and the Design Act are not in conflict but intended to work in harmony. It held that while an artistic work might initially qualify for copyright protection, its transformation into a design for industrial or commercial application invokes the restrictions of Section 15(2), making it eligible for protection only under the Designs Act, subject to proper registration.

Importantly, the Court clarified that copyright is not automatically lost when a design derived from an artistic work is used in industrial production. The term "artistic work" under the Copyright Act encompasses a wide range of visual expressions, while the concept of "design" under the Designs Act is more narrowly focused on features like shape, configuration, pattern, ornamentation, and composition of lines and colours, especially when these are applied through industrial processes for visual appeal.

The Court also stated that design protection is conditional, not inherent, and depends on meeting specific statutory criteria. The Court concluded by underscoring the need for a nuanced, case-specific judicial inquiry when dealing with issues at the intersection of copyright and design law, to uphold the legislative intent of both statutory frameworks.

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- **The Trade Marks Registry declares trade marks including “The Economic Times” and “Starbucks” as well-known trade marks as featured in the Trade Marks Journal No. 2204**

The latest release of the Trade Marks Journal No. 2204 features the trade marks “Starbucks”, “The Economic Times” and “NDTV” as declared well-known marks.

- **The Delhi High Court grants temporary injunction in favour of Agarwal Packers and Movers Ltd.**

[Agarwal Packers and Movers Ltd vs. Aggarwal Cargo Packers and Movers and Ors (CS(COMM) 338/2025)]

Recently, the Delhi High Court, granted a temporary injunction in favour of Agarwal Packers and Movers Ltd. (Plaintiff), restraining 'Aggarwal Cargo Packers and Movers' (Defendant), from trademark infringement and passing off.

The Plaintiff, with its trademark 'Agarwal Packers & Movers' registered since 2004 (with a user claim since 1988), alleged that the Defendant's use of a nearly identical mark on the fraudulent website 'aggarwalmoverspackers.in' misrepresented an association with its brand, causing market confusion. The Court found the Defendant's domain name and mark are virtually identical to the Plaintiff's, establishing a *prima facie* case of infringement and passing off. The Court restrained the Defendant and its associates from using, advertising, or selling services under the impugned mark or any variation of 'Aggarwal/Agarwal' suggesting affiliation with the plaintiff. Additionally, the Court ordered the suspension of the Defendant's domain name, blocking of associated telephone numbers, and deactivation of their UPI ID, safeguarding Plaintiff's trademark and reputation pending further proceedings.

○ **The Delhi High Court ordered AR Rahman and Madras Talkies to deposit ₹2 Crore to secure potential damages in copyright infringement case**

[Ustad Faiyaz Wasifuddin Dagar v. A. R. Rahman & Ors. (C.S. (Comm.) 773/2023)]

In a significant copyright infringement case, the Delhi High Court, issued an interim order, in a suit filed by Padma Shri awardee Ustad Faiyaz Wasifuddin Dagar (Plaintiff) against AR Rahman, Madras Talkies, Lyca Productions, and others (Defendants).

Dagar alleged that the song “Veera Raja Veera” from the 2023 Tamil film “Ponniyin Selvan 2” infringed the copyright of “Shiva Stuti”, an original Dhrupad composition by his father, Nasir Faiyazuddin Dagar, and uncle, Zahiruddin Dagar, of the Dagar Gharana. He claimed that unauthorized reproduction of significant portions of “Shiva Stuti” violated the economic and moral rights under the Copyright Act, 1957 and sought a permanent injunction, damages, and recognition of the original composers' rights.

The Defendants argued that “Shiva Stuti” was a public domain work and that “Veera Raja Veera” was an original composition with Western musical

elements, and that any similarities were permissible under fair use. The Court found “Veera Raja Veera” substantially similar to “Shiva Stuti” with minimal modifications, establishing a *prima facie* case of infringement. Balancing Plaintiff’s strong case with the Defendants’ investment in the film, the Court ordered a ₹2 Crore deposit by AR Rahman and Madras Talkies to secure potential damages, avoiding an immediate injunction to prevent disruption of the film’s commercial ecosystem.

○ **The Supreme Court examined the classification of applications filed under the Insolvency and Bankruptcy Code, 2016 (IBC)**

[Piramal Capital and Housing Finance Limited v. 63 Moons Technologies Limited & Ors. (Neutral Citation: 2025 INSC 421)]

The brief background of the case is that during Dewan Housing Finance Corporation Limited’s (DHFL’s) insolvency resolution, Piramal Capital and Housing Finance (Parimal) emerged as the successful bidder. The Committee of Creditors (CoC) approved Piramal’s plan, which assigned a nominal value of Re. 1 to potential recoveries from fraudulent transactions by DHFL’s former promoters, estimated at over ₹45,000 crore. 63 Moons Technologies (63 Moons), a financial creditor of DHFL, objected, arguing the recoveries should benefit creditors, and not unjustly enrich Piramal. 63 Moons filed an application before the National Company Law Tribunal (NCLT), challenging this provision. The NCLT upheld Piramal’s plan, prompting 63 Moons to appeal to the National Company Law Appellate Tribunal (NCLAT). The NCLAT directed the CoC to reconsider the valuation, emphasizing that recoveries from fraudulent transactions should benefit creditors.

The Supreme Court, setting aside the NCLAT’s order, clarified that Avoidance Applications under Sections 43, 45, and 50 (Chapter III of the IBC) and fraudulent trading applications under Section 66 (Chapter VI of the IBC) are distinct. The Court emphasized that if a Resolution Professional files common applications under both provisions, the Adjudicating Authority must distinguish and apply the correct provision to each.

The Court directed the NCLT to handle the Avoidance Applications under Sections 43, 45, and 50, and Section 66 applications separately, with recoveries from the former benefiting the CoC and from the latter benefiting Piramal Capital.

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- **The Supreme Court reiterates that an approved resolution plan extinguishes all claims not included in it**

[Electrosteel Steel Limited (Now M/S ESL Steel Limited) vs. Ispat Carrier Private Limited (Civil Appeal No. 2896 of 2024)]

The dispute originated when Ispat Carrier Private Limited (Respondent), a registered MSME, initiated proceedings before the West Bengal MSME Facilitation Council in 2014 for recovery of its dues totalling approximately ₹1.59 crore from Electrosteel Steel Limited (Now M/S ESL Steel Limited) (Appellant). Both the parties were referred to conciliation but the disputes could not be resolved by way of conciliation. After failure of the conciliation, the matter was referred to arbitration under Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006.

While arbitration proceedings were ongoing, the National Company Law Tribunal, Kolkata Bench, on July 21, 2017, admitted a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) against the Appellant, thereby triggering the statutory moratorium under Section 14 of the IBC. This halted all ongoing legal proceedings, including the arbitration. However, after the completion of the Corporate Insolvency Resolution Process and approval of a resolution plan, the moratorium came to an end. Thereafter, the MSME Facilitation Council resumed and completed the arbitration process, ultimately passing an arbitral award on July 6, 2018 in favour of the Respondent. Notably, the Appellant did not challenge this arbitral award under Section 34 of the Arbitration and Conciliation Act, 1996 (Arbitration Act) within the prescribed period.

Subsequently, the Respondent sought enforcement of the arbitral award before the Commercial Court in Bokaro (Commercial Court) which was opposed by the Appellant. The Commercial Court dismissed the challenge and directed the Appellant to comply with the arbitral award. The Appellant, thereafter, filed a writ petition under Article 227 of the Constitution of India before the Jharkhand High Court seeking to quash the Commercial Court's order which had directed the execution of the award.

The Jharkhand High Court, in its decision, emphasized that the arbitral award was never challenged under Section 34 of the Arbitration Act and thus had attained finality. Referring to precedents, the High Court reiterated that execution proceedings are not a forum for a party to challenge the merits or legality of an arbitral award unless it is patently without jurisdiction or a complete nullity. In this case, the High Court held that the award was passed post-moratorium and therefore not hit by Section 14 of the IBC. The petition was dismissed, and the Commercial Court's order for enforcement of the arbitral award was upheld. Aggrieved thereby, the Appellant filed the instant appeal before the Supreme Court.

The Supreme Court framed two critical issues for its consideration, i.e., whether the arbitral award was executable given that the approved resolution plan had already been approved, and whether an executing court could entertain objections to an award's validity if no challenge was filed under the Arbitration Act. The Court ruled in favour of the Appellant, emphasizing the binding nature of an approved resolution plan under Section 31 of the IBC. It held that once the NCLT approves a resolution plan, all claims not addressed in the approved resolution plan are extinguished. Consequently, the arbitral award, based on a claim that no longer existed post approval of the resolution plan, was deemed a nullity and unenforceable. The Court further clarified that an executing court, under Section 47 of the Civil Procedure Code, 1908 has the authority to examine objections to an award's validity if it is void or issued without jurisdiction, even in the absence of a Section 34 challenge.

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- **The Supreme Court clarifies the law regarding imposition of interest by the courts**

[I.K. Merchants Pvt. Ltd. & Ors. v. The State of Rajasthan & Ors. (Neutral Citation: 2025 INSC 418)]

The Supreme Court of India recently affirmed that courts have the authority to determine the appropriate interest rate on decree amounts under Section 34 of the Code of Civil Procedure (CPC) and the discretion to decide the interest period - whether from the filing of the suit, a prior date, or the decree date.

In this case, the dispute involved the interest rate on the enhanced valuation of shares sold by the Appellants to the State of Rajasthan in 1973 at Rs. 11.50 per share, with payment delayed for nearly 50 years. After the Calcutta High Court issued a preliminary decree in 2012 valuing the shares at Rs. 640 per share, it awarded only 5% simple interest. This decision was challenged, with the Appellants appealing to the Supreme Court, arguing for a higher interest rate.

The Court clarified that the transaction, involving trade and business interests, justified awarding interest beyond the 6% cap under Section 34 CPC. It outlined three stages of interest: pre-suit interest based on agreements, pendente lite interest at a reasonable rate from suit filing to decree, and post-decree interest until realization. The Supreme Court found the High Court's 5% rate inadequate for such a long commercial dispute and modified the order, awarding 6% interest from July 8, 1975 (date of default) to the decree, and 9% from the decree until realization.

[Read here](#)

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- **The Supreme Court clarifies the procedure for challenging a compromise decree**

[Sakina Sultanali Sunesara (Momin) vs. Shia Imami Ismaili Momin Jamat Samaj & Ors. (Civil Appeal No. 6681-6682 of 2023)]

The Supreme Court, recently, dismissed an appeal, affirming that a party to a compromise decree cannot directly challenge the compromise before an Appellate Court without first approaching the trial Court under the proviso to Order XXIII Rule 3 of the Code of Civil Procedure, 1908 (CPC). The appellant, claiming ignorance of the compromise, had directly challenged the compromise decree before the Gujarat High Court under Section 96 of the CPC. The High Court's Single Judge, while noting the conflicting views of Division Bench, referred the matter to a Larger Bench, which held that a party must first challenge the compromise's validity before the trial Court under Order XXIII Rule 3 of the CPC, and that Order XLIII Rule 1-A of the CPC does not create an independent right of appeal. The Single Judge then dismissed the appellant's appeal, prompting the appellant to appeal to the Supreme Court. The Supreme Court, in its judgment, upheld the High Court's stance, clarifying that Section 96(3) of the CPC bars appeals against consent decrees, and a party denying the compromise must first approach the trial Court. The Supreme Court further noted that Order XLIII Rule 1-A of the CPC does not provide a standalone appeal right but permits raising compromise-related issues within an existing appeal. Non-parties affected by a consent decree may appeal under Section 96 of the CPC with leave, but the appellant, as a party, failed to follow the mandated procedure. Consequently, the Supreme Court dismissed the appeal, endorsing the High Court's interpretation and reinforcing the procedural requirement to challenge a compromise decree at the trial Court level first.

[Read here](#)

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- **The Supreme Court reiterates that dismissals for default do not preclude subsequent suits on the same cause of action**

[Amruddin Ansari (Dead) Through LRs & Ors. vs. Afajal Ali & Ors. (SLP (C) No. 11442/2023)]

The Supreme Court held that the dismissal of a suit or application for default under Order IX, Rules 2 or 3 of the Code of Civil Procedure, 1908 (CPC) does

not constitute a judgment or decree, and thus, the principle of *res judicata* does not bar the filing of a fresh suit.

The case arose when the respondent's father's suit for declaration and permanent injunction was dismissed under Order IX, Rule 2 due to the non-appearance of both parties. His subsequent application for restoration under Order IX Rule 4, CPC was also dismissed and attained finality.

Later, the respondent, in his capacity as the legal heir, filed a fresh suit for the same reliefs, which the trial Court allowed under Order IX Rule 4, CPC, permitting either restoration or a fresh suit subject to limitation. The First Appellate Court reversed this, but the High Court restored the trial Court's order. The appellant appealed to the Supreme Court, arguing that the fresh suit was barred by *res judicata*. Rejecting this contention, the Court, clarified that a dismissal for default under Order IX Rule 2 or 3 of the CPC does not involve adjudication on the merits. Thus, it is not a decree, and is not appealable under Order XLIII of the CPC. Consequently, such a dismissal does not meet the criteria of a "judgment" or "decree" and cannot trigger *res judicata*. The Court upheld the High Court's decision, affirming the respondent's right to file a fresh suit, and dismissed the appeal, reinforcing that dismissals for default do not preclude subsequent suits on the same cause of action.

[Read here](#)

○ **New Labour Code 2025: major changes ahead for Indian workforce**

India's labour landscape is set for a major shift with the proposed implementation of the New Labour Codes in 2025. These include four key legislations: the Code on Wages, Social Security Code, Industrial Relations Code, and Occupational Safety, Health, and Working Conditions Code. The aim is to streamline and modernize labor laws, ensuring both employee welfare and operational flexibility for employers.

A key highlight is the option for a four-day workweek, where employees can work 12 hours a day to complete the mandatory 48-hour week. This is optional and depends on employer-employee agreements. The salary structure will also change, with at least 50% of total CTC required as basic pay. This could

slightly lower take-home salaries but will increase contributions to provident fund and gratuity, enhancing long-term savings. Work hours remain capped at 48 per week, with stricter overtime rules ensuring fair compensation. Leave policies will become more uniform, with improved provisions for carry-forward and encashment. Importantly, gig and contractual workers will gain better access to social security benefits.

Overall, the New Labour Code 2025 promises a more equitable, secure, and efficient work environment for India's evolving workforce.

Read the Labour Code Brochure released by Labour Department [here](#).

○ **Supreme Court held that the Mesne Profits payable only after eviction decree in tenancy cases**

[Amritpal Jagmohan Sethi V. Haribhau Pundlik Ingole (CIVIL APPEAL NO. 4595-4596 of 2025; SLP(Civil) No. 301-302 of 2022)]

In a key ruling under the Maharashtra Rent Control Act, 1999, the Supreme Court has clarified that a tenant's liability to pay mesne profits (compensation for unlawful occupation) begins only after an eviction decree is passed, not from the date the eviction suit is filed.

The Court emphasized that the legal relationship between landlord and tenant continues until a court officially terminates it through a decree. So, the tenant's possession becomes unlawful only after the decree, and mesne profits can be claimed from that point onward.

This decision came in response to a landlord-tenant dispute where the trial court had wrongly ordered mesne profits from the date of the suit. The Supreme Court corrected this and directed profits to be calculated from the date the eviction decree, until the tenant vacates the property.

Read [here](#)

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- **The Supreme Court declares Rule 55A(i) invalid and holds that registration cannot be refused on the ground that vendor's title is not established**

[K. Gopi v. The Sub-Registrar & Ors. (2025 INSC 462)]

The Supreme Court has ruled that registration of a property document cannot be refused solely because the vendor's title is not established. It declared Rule 55A(i) of the Registration Rules as invalid and ultra vires the Registration Act, 1908 (Act).

In this case, the appellant's sale deed was rejected by the Sub-Registrar citing Rule 55A(i) as the vendor's title was not proven. Rule 55A(i) requires the vendor to produce document establishing ownership before the registry. The Madras High Court upheld this refusal. However, the Supreme Court clarified that under the Act, a Sub-Registrar has no authority to verify the ownership or title of the person executing the sale deed. Their role is limited to checking procedural compliance, such as presence of parties, admission of execution, and payment of required fees.

The Court observed that even if the executant has no title, the registration of the document merely transfers the rights (if any) that the person possesses. It does not validate or create ownership on its own. It further held that Rule 55A(i) contradicts the Act and was declared ultra-vires, and hence, cannot stand.

Accordingly, the Supreme Court set aside the High Court's decision, struck down Rule 55A(i), and allowed the appellant's appeal.

Read [here](#)

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- **The Karnataka High Court holds that RERA Registry has no power to decide maintainability of complaint**

[Amit Garg v. Karnataka Real Estate Regulatory Authority & Anr. Case No.: W.P. No. 34471 of 2024]

The Karnataka High Court has ruled that the Registry of the Karnataka Real Estate Regulatory Authority (Karnataka RERA) cannot decide the maintainability of a complaint.

The case involved a petition challenging an email from Karnataka RERA's Registry, which rejected a complaint against a developer as "not maintainable." The Court emphasized that deciding maintainability is a judicial function, not an administrative one. The Registry is not authorized to terminate complaints based on maintainability.

Citing a 2019 Supreme Court judgment, the Court held that the Registry's role is purely administrative. The impugned email was quashed, and the complaint was restored to the Karnataka RERA Authority for proper adjudication.

Read [here](#)

○ **Builder approaches TGRERA over unauthorized structural changes by flat owners**

A builder in Hyderabad has lodged a complaint before the Telangana Real Estate Regulatory Authority (TGRERA) against two flat owners of the Aparna Serenity Project at Petbasheerabad Village, alleging unauthorized structural modifications that may compromise the building's structural integrity.

The complaint was filed under Section 36 of the Real Estate (Regulation and Development) Act, 2016 (RERA Act), seeking interim relief directing the residents to maintain status quo on any further structural alterations. The builder stated that such changes violate the provisions of the agreement signed between the parties and contravene Section 433 of the Greater Hyderabad Municipal Corporation Act, 1955 which prohibits structural alterations without the prior consent of the commissioner.

It was noted that the Occupancy Certificate was issued in December 2023, and any post-occupancy modifications could jeopardize the five-year structural liability which is required to be borne by the builder under RERA Act. Other residents reportedly objected to the changes, and although a police complaint was filed, it allegedly went unregistered. Upon review, TGRERA held that

	there was prima facie cause for concern. Finding that interim relief would not cause undue hardship, TGRERA restrained the respondents and ordered status quo until the matter is adjudicated. <i>*Disclaimer: The Primary source for this piece could not be located and has been taken from a credible news source.</i> Read Here
○	The Supreme Court holds that consumers are entitled to peaceful protest to express their grievances <i>[Shahed Kamal & Ors. v. M/s A. Surti Developers Pvt. Ltd. & Anr., (Neutral Citation 2025 INSC 502)]</i> In the present case, the Supreme Court addressed whether a peaceful protest by homebuyers could be deemed defamatory. The appellants, a group of homebuyers, had displayed banners highlighting issues with the developer, including failure to form a society, lack of financial transparency, and maintenance problems. In response, the developer filed a criminal defamation complaint under Section 500 read with Section 34 of the Indian Penal Code (IPC). The Court found the banners to be "mild and temperate," expressing grievances without abusive terms. It held that good faith criticism in a builder-buyer relationship does not amount to defamation and falls under the Ninth Exception to Section 499 IPC, which protects statements made for the public good. Emphasizing the protest's peaceful nature and the constitutional right to free speech under Article 19(1)(a), the Court quashed the defamation case Read Here
○	The Supreme Court lays down guidelines for interpretation of Deeds & Contracts <i>[Ananya Kocha Shetty (Dead) through LRs V. Laxmibai Narayan Satose Since Deceased through LRs & Others (Civil Appeal No. 84 of 2019)]</i>

The dispute in this case centers around an agreement executed on 16.08.1967, where the plaintiff claimed to have been granted a tenancy under the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947 (“Bombay Rent Act”), based on continuous payments of royalty and operational control over the hotel business. The key issue was whether the agreement created a tenant-landlord relationship or a leave and license agreement for conducting the business.

The trial court initially ruled in favor of the plaintiff, interpreting the agreement as a tenancy agreement under Section 15A of the Bombay Rent Act, based on evidence such as the regular royalty payments and responsibilities. However, the appellate bench reversed this decision, emphasizing that the agreement was for conducting the hotel business, not a lease. The High Court upheld the appellate decision.

The Supreme Court dismissed the plaintiff’s appeal, agreeing with the appellate bench and the High Court’s interpretations. It emphasized that the true nature of the agreement was to entrust the plaintiff with conducting the hotel business, not granting tenancy. The Court reaffirmed the literal and purposive construction of contracts, ruling out the plaintiff’s claim for tenancy protection under the Bombay Rent Act.

The Court also laid down guidelines for interpreting deeds and contracts:

- Literal Interpretation: First, the deed should be read in its plain, ordinary, and literal meaning.
- Golden Rule: If a literal interpretation creates absurdity, a shift from literal rule may be allowed which is called the golden rule.
- Purposive Interpretation: The contract should be interpreted in light of its object and context if necessary.

Read [here](#)

○

The Supreme Court clarifies that under Section 58 of the Limitation Act, 1963, the limitation period commences from the date the cause of action

first arises, not from when the plaintiff gains 'full knowledge' of the disputed facts

[Nikhila Divyang Mehta & Anr. vs Hitesh P. Sanghvi & Ors. (SLP (C) No. 13459 of 2024)]

The dispute centered around a Will and a Codicil executed by the deceased, Pramod Kesurdas Sanghavi. According to the plaint, the testator died in October 2014, and the plaintiff became aware of the Will and Codicil in the first week of November 2014. The City Civil Court, Ahmedabad, observed that the plaintiff's own pleadings indicated that the cause of action arose on or before the first week of November 2014. Consequently, the suit filed in the third week of November 2017 was beyond the three-year limitation period prescribed under Article 58 of the Limitation Act. The plaint was accordingly rejected under Order VII Rule 11(d) of the Code of Civil Procedure, 1908, as being barred by limitation. However, the Gujarat High Court reversed the trial court's decision, reasoning that the limitation period should commence from the date the plaintiff acquired 'full knowledge' of the disputed facts. The High Court made a distinction between 'knowledge' and 'full knowledge' in determining the start of the limitation period.

In the present appeal, the Supreme Court set aside the High Court's decision and reinstated the trial court's order. The Court emphasized that making a distinction between 'knowledge' and 'full knowledge' is a fallacy, reaffirming that the limitation period begins when the cause of action first arises, not from when the plaintiff claims to have obtained 'full knowledge' of the disputed facts. The Court held that all reliefs sought were consequential to the primary relief of declaration. Hence, once the declaratory relief was barred by limitation, the suit in its entirety could not be sustained.

[Read Here](#)

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- **The Delhi High Court concludes that delivery of copy of an arbitral award to the party's Power of Attorney holder is sufficient to fulfil the**
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essentials of Section 31(5) of the Arbitration and Conciliation Act, 1996 (Arbitration Act)

[Kiran Suran v. Satish Kumar & Ors., (Neutral Citation 2025:DHC:2365-DB)]

The appellant had filed a petition under Section 34 of the Arbitration Act to challenge an arbitral award but did so 287 days beyond the prescribed limitation period due to the claim that the appellant had not personally received the award.

The Division Bench observed that the award had been delivered to the appellant's PoA holder, who had also represented her during the arbitration proceedings. The bench clarified that such delivery constitutes due compliance with Section 31(5) of the Arbitration Act, which mandates that a signed copy of the award be delivered to each party. The court emphasized that insisting on additional proof of delivery in such circumstances would undermine the objective of the Arbitration Act to facilitate swift dispute resolution.

Consequently, the appeal was dismissed, reinforcing the principle that delivery of an arbitral award to a duly authorized PoA holder fulfills the statutory requirement, and delays in challenging such awards cannot be condoned without valid justification.

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- **The Supreme Court decides that non-issuance of notice under Section 21 of the Arbitration and Conciliation Act, 1996 (Arbitration Act) invoking arbitration cannot preclude arbitral tribunal from impleading the parties during the proceedings**

[Adavya Projects Pvt. Ltd. v. Vishal Structurals Pvt. Ltd. (Neutral Citation: 2025 INSC 507)]

In the present case, the Supreme Court clarified that while issuing a notice under the Section 21 of the Arbitration Act is mandatory to commence arbitration, the failure to serve such a notice does not bar the arbitral tribunal

from impleading parties who are part of the arbitration agreement, by virtue of the intent of Arbitration Act.

The Supreme Court clarified that an application under Section 11 of the Arbitration Act is intended solely for the appointment of an arbitrator when the agreed appointment mechanism fails. Therefore, if the court does not refer a particular party to arbitration in its Section 11 order, it does not eliminate the arbitral tribunal's authority to include that party in the proceedings. The court emphasized that such an order does not conclusively settle the question of who may be impleaded in arbitration. The Bench explained that the key criterion for determining whether someone can be added as a party to the arbitration is whether they are bound by the arbitration agreement.

[Read Here](#)

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- **The Delhi High Court holds that post-award interest under Section 31(7)(b) of the Arbitration and Conciliation Act, 1996 (the Act) is mandatory**

[Union of India & Anr. vs. Sudhir Tyagi (CM(M) 4025/2024)]

The Delhi High Court reiterated that post-award interest under Section 31(7)(b) of the Arbitration and Conciliation Act, 1996 (the Act), is mandatory, with the arbitrator's discretion limited to determining the rate of interest. The case arose from a contractual dispute between Northern Railway (Petitioner) and the Respondent, Sh. Sudhir Tyagi, leading to arbitration after the Respondent invoked the arbitration clause. On November 16, 2012, a sole arbitrator awarded the Respondent Rs. 61,48,277 with interest, which the Petitioner challenged under Section 34 of the Act, but the objections were dismissed by the District Judge. During execution proceedings, the Petitioner paid Rs. 82,86,547.62, and the Respondent sought post-award interest on part of the awarded sum. The executing Court, on October 25, 2024, granted 18% p.a. interest, relying on Section 31(7)(b) of the Act and Supreme Court precedent. The Petitioner challenged this under Article 227 of the Constitution of India, arguing that the executing Court overlooked the arbitrator's

discretion. The High Court, clarified that Section 31(7)(b) of the Act mandates post-award interest at 18% unless the award specifies otherwise, with the phrase “unless the award otherwise directs” pertaining to the rate, not entitlement. The Court held that post-award interest is a statutory requirement to deter delays, distinct from pre-award interest under Clause (a) of Section 31(7)(b) of the Act, which allows parties to contract out. The arbitrator may set the rate or apply interest to part of the sum, but entitlement is non-negotiable. If no rate is specified, the statutory interest of 18% p.a. applies. Finding no illegality in the executing Court’s order, the Court dismissed the petition, affirming the mandatory nature of post-award interest and reinforcing arbitral award enforcement.

○ **The Calcutta High Court interprets the term “may” in agreements governed by the Arbitration and Conciliation Act, 1996 (Arbitration Act)**

[Sunil Kumar Samanta v. Smt. Sikha Mondal, (AP/15/2022)]

In the present case, the Calcutta High Court examined whether an arbitration clause using the term "may" constitutes a binding agreement under the Arbitration Act. The dispute arose from a lease agreement executed in 2001 between the petitioner and the respondent's predecessor, which included a clause stating that, in the event of disagreement over lease renewal terms, the matter "may be decided by an arbitrator to be appointed by the parties."

The petitioner sought to invoke this clause to refer the dispute to arbitration after the respondent denied the renewal of the lease. However, Justice Shampa Sarkar held that the use of "may" indicates a possibility rather than a definitive commitment to arbitrate. The court emphasized that for an arbitration agreement to be binding, it must reflect a clear intention of the parties to submit disputes to arbitration and to be bound by the arbitrator's decision. The discretionary language in the clause failed to demonstrate such an intention.

Consequently, the court concluded that the arbitration clause did not meet the requirements of a binding arbitration agreement under Section 7 of the Arbitration Act, which expressly lays down the essentials a valid arbitration

	agreement. As a result, the application to refer the dispute to arbitration was dismissed.
○	The Calcutta High Court holds that a successor company through a merger can invoke arbitration clause despite not being the original signatory to the contract <i>[Tata Capital Limited v. Krishna Kant Tiwari, (AP-COMM/1035/2024)]</i> In the present case, the petitioner, Tata Capital Limited, had merged with Tata Capital Financial Services Limited and Tata Cleantech Capital Limited, thereby inheriting all rights and obligations of the merged entities, including existing contracts and agreements. One such agreement was a business loan contract with the respondent, which contained an arbitration clause. Following the respondent's default on loan repayments, Tata Capital Limited sought to initiate arbitration proceedings based on this clause. Justice Shampa Sarkar, presiding over the case, noted that a merger results in the transfer of all assets and liabilities to the surviving entity, effectively making the successor company responsible for the rights and obligations of the original parties. The court emphasized that the term "lender" in the loan agreement encompassed heirs, successors, and assigns, thereby including Tata Capital Limited post-merger. Despite not being an original signatory, the court held that the petitioner had the right to invoke the arbitration clause as the legal successor to the original lender.
○	The Delhi High Court restrains authorities from taking any coercive action against the Le Meridien Hotel amidst ongoing disputes over renewal of its health trade license <i>[C J International Hotels Ltd & Ors. v. Joint Commissioner of Police Licensing & Ors., (W.P.(C)-4870/2025)]</i> Justice Sachin Datta presided over the matter, responding to a petition filed by CJ International Ltd., the hotel's operator. The core of the dispute lies in the renewal of the hotel's 'Eating House Licence' and 'Lodging Licence,' which have been stalled due to complications arising from a health trade license that

	was revoked in 2017. Despite the revocation, the Delhi High Court had previously stayed the cancellation order, allowing the hotel to continue operations under existing terms. This stay still remains effective. During the proceedings, the hotel's legal representatives contended that presenting a valid health trade license from the New Delhi Municipal Council should not be a prerequisite for renewing its operational licenses, including those permitting the serving of alcoholic beverages. The court has issued notices to the Joint Commissioner of Police (Licensing) and the Delhi Government, seeking their responses to the hotel's petition. This interim protection ensures that Le Meridien can maintain its operations while the legal proceedings continue.
○	The Jharkhand High Court decides that mere technical error like incorrect policy number cannot preclude the insured from availing compensation <i>[Reliance General Insurance Company Limited v. Lilmuni Madaiyan, (Neutral Citation 2025:JHHC:11475)]</i> The dispute arose after the Motor Vehicle Accident Claims Tribunal (MACT) awarded ₹20,49,000 as compensation to the dependents of a deceased accident victim. Reliance General Insurance had challenged this decision, arguing that the claimants had submitted the wrong policy number and that the company should therefore not be held liable. The court carefully examined the circumstances and found that a claimant, especially in accident cases, may not always be in possession of the exact policy details, particularly when the insured vehicle belongs to a third party. The judge emphasized that it is the insurer's obligation to properly verify and produce the accurate policy information if there's a discrepancy, rather than rely on the error to evade liability. Furthermore, the insurance company also raised concerns over the absence of a postmortem report and argued that no charge sheet had been filed under specific sections that would confirm negligence. However, the High Court

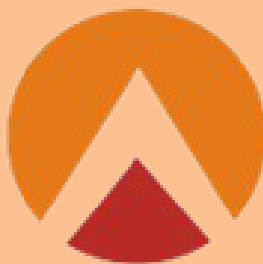
	held that the lack of a postmortem report was not due to any fault on the part of the claimants and that the accident's occurrence was sufficiently established by other records and evidence.
○	The Supreme Court holds that insurance company is responsible for indemnifying the vehicle owner for negligent acts of their employee <i>[Reliance General Insurance Company Limited v. Swati Sharma & Ors., (Neutral Citation 2025 INSC 487)]</i> In the present case, the incident involved a truck, insured by Reliance General Insurance, colliding with a motorcycle, resulting in the rider's death. Initially, the Motor Accident Claims Tribunal (MACT) attributed 50% contributory negligence to the deceased and apportioned the liability accordingly. However, upon appeal, the High Court reassessed the evidence and held the truck driver solely responsible for negligence, thereby assigning full liability to the vehicle's owner and driver. Challenging this decision, the insurance company approached the Supreme Court. The Supreme Court, after reviewing the testimonies and evidence, observed inconsistencies in the truck driver's account and the investigating officer's statements. The Court noted that the truck driver's denial of any collision was contradicted by the investigating officer's admission of the accident. Emphasizing the principle of vicarious liability, the Court affirmed that the insurer is obligated to indemnify the vehicle owner for the negligent acts of their employee. Read Here
○	The Chhattisgarh High Court decides that where assessee declares discrepancy in income tax returns voluntarily, penalty under Section 271(1)(c) of the Income Tax Act, 1961 (Act) not valid <i>[Chhattisgarh State Power Transmission Company Limited v. DCIT Circle-1(1), (Neutral Citation 2025:CGHC:16667-DB)]</i> The appellant, a government-owned entity engaged in power transmission, initially filed a return declaring nil income after offsetting unabsorbed losses

and reported book profits under the Minimum Alternate Tax provisions. Subsequently, during scrutiny, the company voluntarily disclosed a discrepancy in the reported book profits, attributing it to an inadvertent data entry error. Despite this disclosure, the Assessing Officer imposed a penalty under Section 271(1)(c) of the Act for furnishing inaccurate particulars.

The Commissioner of Income Tax (Appeals) set aside the penalty, recognizing the error as a bona fide mistake without any malicious intent. However, the Income Tax Appellate Tribunal reinstated the penalty, prompting the appellant to approach the High Court.

The Division Bench emphasized that for a penalty under Section 271(1)(c) of the Act to be applicable, there must be either concealment of income or furnishing of inaccurate particulars. The court noted that the appellant had proactively informed the Assessing Officer about the discrepancy before the initiation of scrutiny proceedings. Furthermore, the correct figures were already present in the tax audit report submitted under Section 44AB.

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