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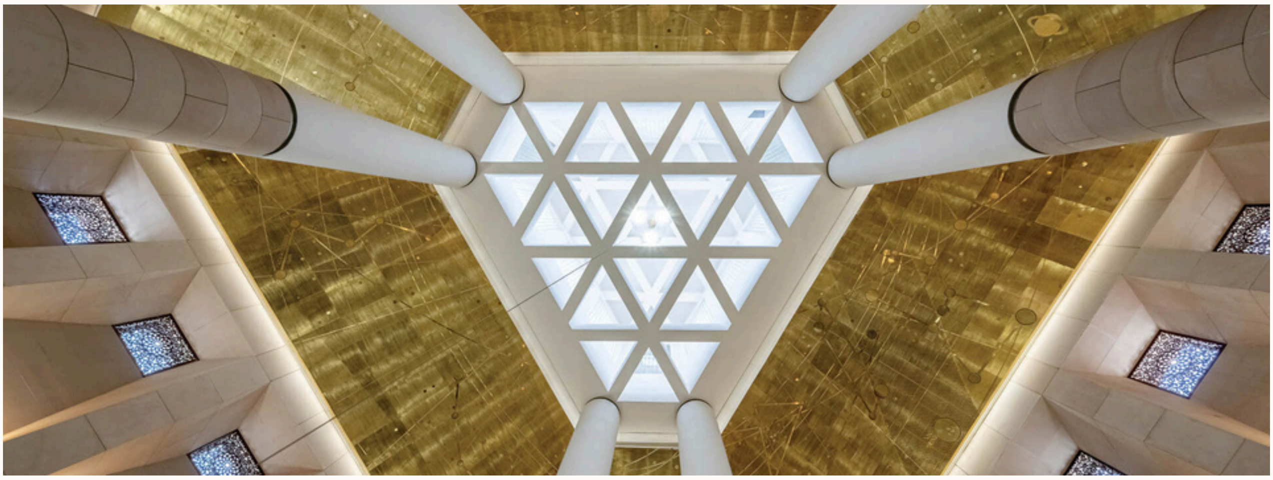
Monthly Newsletter

INDIALAW

June 2025



From the desk of our Managing Partner

We are delighted to present the June 2025 edition of our newsletter, where we showcase critical legal developments and success stories that have shaped this month.

Our dedicated team has worked diligently to navigate complex legal landscapes, providing strategic counsel and achieving impactful outcomes that reinforce our unwavering commitment to excellence.

This month has been particularly dynamic, with noteworthy cases spanning diverse practice areas. A standout achievement was our role in advising Kalpataru Limited on its landmark Initial Public Offering (IPO). We prepared and issued the Master Title Certificate as mandated under SEBI (ICDR) Regulations, certifying clear and marketable title to the real estate assets disclosed in the Draft and Red Herring Prospectuses (DRHP and RHP). This IPO marks a significant milestone for Kalpataru Limited, strengthening its market position and reflecting renewed investor confidence in the Indian real estate sector.

The IndiaLaw LLP team advising on this prestigious transaction included Shiju P. V. (Managing Partner), Suresh Palav (Partner), Shweta Tiwari (Associate Partner), and Sushma Gowda (Associate).

From precedent-setting decisions in corporate law to pivotal breakthroughs in intellectual property disputes, we are proud to share successes that showcase our pursuit of justice and innovation, reflecting our mission to safeguard your interests with tailored solutions.

In addition to case highlights, we bring you valuable insights into recent legal reforms, regulatory updates, and emerging trends that could significantly influence your business and personal affairs. Understanding the ever-changing legal environment is crucial, and we are here to ensure that you remain informed, prepared, and proactive in your approach.

We invite you to explore this edition of our newsletter and celebrate these milestones with us.

Enjoy this month's newsletter!

In this newsletter you can expect:

- Recent Judgments
- Articles
- Press Quotes

Shiju PV

INDIALAW

Recent Judgements, Press Quotes and Articles

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JUDGEMENTS

No Title Without Transfer: Supreme Court Clarifies Legal Divide Between Agreement to Sell and Registered Conveyance

Introduction

In a recent decision clarifying the statutory framework governing immovable property transactions in India, the Supreme Court in Vinod Infra Developers Ltd. v. Mahaveer Lunia & Ors.1 held that a mere Agreement to Sell (ATS), even if accompanied by possession or payment, does not confer ownership rights unless followed by a registered sale deed. The Court reaffirmed that title to immovable property cannot pass through an unregistered ATS, and any claim based solely on such an agreement is unenforceable in the absence of a suit for specific performance. The decision is examined in the context of the relevant statutory framework and judicial interpretation, with emphasis on the legal distinction between an Agreement to Sell and registered conveyance.

Background of the Case

The dispute arose when Vinod Infra Developers Ltd., the appellant, challenged the validity of sale deeds executed by the respondents based on an unregistered agreement to sell and an unregistered power of attorney. The appellant contended that the documents in question were executed merely as security for a loan and were later revoked prior to the execution of the sale deeds. Despite the revocation, the respondents proceeded to register sale deeds and have them mutated in their names in the revenue records.
The appellant sought declaratory relief, cancellation of the sale deeds, possession of the property, and an injunction. The trial court held that triable issues existed. However, the High Court reversed the decision and rejected the plaint under Order VII Rule 11 of the **Code of Civil Procedure**, 1908 (CPC), leading to the present appeal before the Supreme Court.

Judicial Determination

The Supreme Court allowed the appeal and restored the plaint. The Court held that:

- An unregistered Agreement to Sell does not create any right, title, or interest in the property.

- No suit for specific performance was filed by the respondent, and therefore, no legal right could be asserted based on the ATS.
- A power of attorney, even if notarized, does not confer title, especially where it has been revoked prior to the execution of sale deeds.
- Revenue entries are fiscal in nature and cannot establish proprietary rights in the absence of a registered conveyance.

The Court observed that the revocation of the power of attorney prior to execution rendered the subsequent sale deeds void of legal authority and thus ineffective in law.

Citing Suraj Lamp & Industries Pvt. Ltd. v. State of Haryana2, the Court reiterated that SA/GPA/WILL transactions do not constitute valid transfers and cannot substitute for a registered sale deed.

In addition, the Court clarified that where a plaint contains multiple causes of action, it cannot be rejected in its entirety solely because one relief appears legally untenable. This principle preserves the right to adjudication where triable issues are raised.

The Court also rejected the respondents' argument that revenue courts had jurisdiction under tenancy laws, holding that disputes concerning ownership and title fall within the exclusive domain of civil courts. Revenue records serve only fiscal purposes and do not confer title.

Legal Position on ATS vs. Conveyance

Agreement to Sell (ATS)

- An ATS is merely a contractual promise between the parties to execute a future sale.
- It is governed by the Indian Contract Act, 1872, and Section 54 of the Transfer of Property Act, 1882, which states that a contract for sale does not by itself create any interest in or charge on the property.
- The only remedy available to the buyer in the event of non-performance is to file a suit for specific performance under the Specific Relief Act, 1963.
- Section 16(c) of the Specific Relief Act stipulates that the party seeking specific performance must prove that they have performed, or have always been ready and willing to perform, the essential terms of the contract. This provision ensures that the relief of specific performance is granted only to those who demonstrate bona fide contractual compliance.

Conveyance Deed (Sale Deed)

- A sale deed is the final and legally binding instrument that effects the transfer of title.
- It must be duly executed, stamped, and registered under the Registration Act, 1908.
- A registered sale deed is conclusive proof of ownership and allows for mutation of the property in revenue records.

Statutory Framework

Provision	Key Principle
Section 54, Transfer of Property Act, 1882	A contract for sale does not create any interest in or charge on immovable property.
Sections 17 and 49, Registration Act, 1908	Documents that are compulsorily registrable cannot affect property rights unless registered.

Section 23, Registration Act, 1908	Documents must be presented for registration within four months of execution.
Section 53A, Transfer of Property Act, 1882	Grants protection to a transferee in possession but does not confer ownership.

What the Decision Means for Property Transactions

The judgment serves as a significant clarification for stakeholders in real estate transactions. Its implications include:

For Buyers: Executing an Agreement to Sell is not sufficient to obtain ownership. The transaction must culminate in a registered sale deed to be legally enforceable.
For Sellers/Lenders: In the absence of a registered deed, sellers cannot assert ownership or enforce rights based solely on an ATS.
For Courts: A plaint based solely on an unregistered ATS, without a corresponding prayer for specific performance, is liable to be rejected under Order VII Rule 11 CPC, unless distinct triable issues are disclosed.

Conclusion

The decision in Vinod Infra Developers Ltd. reaffirms the foundational legal principle that immovable property can only be transferred through a registered conveyance deed. Informal arrangements, such as unregistered agreements or powers of attorney, cannot substitute the statutory requirement of a registered instrument.

The Supreme Court has, through consistent jurisprudence, sought to curb the reliance on such informal documents and has emphasized the necessity of compliance with statutory formalities for the legal transfer of title. This clarity is essential not only for property owners and buyers but also for reducing litigation and promoting transparency in real estate transactions.

No Title Without Registration: Supreme Court Clarifies Ownership Under Indian Property Law

Introduction

In a detailed and consequential decision, the Supreme Court reaffirmed that immovable property can only be transferred through a registered instrument. It held that an unregistered agreement to sell, even if subsequently validated or acted upon, does not confer a legal title. The ruling came in the context of a dispute involving land in Telangana, adjudicated in Mahnoor Fatima Imran & Ors. v. State of Telangana & Ors, where the Court also emphasized that mere possession, when not lawfully established, cannot justify protection from dispossession under Article 226 of the Constitution.

Factual Background

The dispute relates to 53 acres of land situated in Raidurg village, Ranga Reddy District, Telangana. This land was originally part of a larger 525-acre tract held by 11 individuals, which was subsequently declared surplus under the Andhra Pradesh Land Reforms (Ceiling on Agricultural Holdings) Act, 1973.

In 1982, Bhavana Cooperative Housing Society Ltd. (hereinafter referred to as "Society") claimed to have purchased the disputed land through an unregistered sale agreement. Although the agreement was not registered, it was later validated in 2006 by the Assistant Registrar, though it still did not attain the status of a registered conveyance.

Based on this unregistered agreement, the Society executed registered sale deeds in favor of various individuals, including Mahnoor Fatima Imran and others. These individuals asserted possession and approached the High Court seeking protection from dispossession by the Telangana State Industrial Infrastructure Corporation (TSIIC), alleging unlawful takeover.

Legal History

- The original owners had executed a General Power of Attorney (GPA) in 1974 in favor of a partnership firm (Sri Venkateswara Enterprises).

- Declarations under the Andhra Pradesh Land Reforms Act, 1973, and the Urban Land (Ceiling and Regulation) Act, 1976, were filed.
- By 1975, 99.07 acres, including the 53 acres in question, were declared surplus and vested in the State.
- Society filed a suit for specific performance in 1991, which was dismissed for default in 2001. A restoration application was also rejected in 2004.
- Nevertheless, the 1982 agreement was validated in 2006, and based on it, registered sale deeds were executed.

Issues Before the Supreme Court

- Whether a sale deed executed based on an unregistered and doubtful agreement to sell could confer a valid title?
- Whether the petitioners' possession was established in a manner sufficient to invoke protection under Article 226?
- Whether land that had vested in the State under land reforms could be claimed through private conveyance?

Legal Provisions Every Buyer Should Know

To make property transactions legally secure, familiarity with the following provisions is essential:

1. Sections 17 and 49 of the Registration Act, 1908
These sections mandate that any transaction involving the transfer of rights in immovable property must be registered. An unregistered document cannot be used as evidence in court and does not confer ownership.

Application in this case:

The petitioners' claim was based on an unregistered 1982 agreement. Despite being "validated" in 2006, it remained legally ineffective. The Court held that only a properly registered sale deed can confer ownership.

2. Section 53A of the Transfer of Property Act, 1882 (Doctrine of Part Performance)
This provision offers limited protection to a buyer who:

- Has taken possession under a contract for sale,
- Has fulfilled or is willing to fulfill contractual obligations, and
- Can prove actual, lawful possession.

Application in this case:

The petitioners failed to establish possession or contractual performance. The Court held that protection under Section 53A was not available.

Supreme Court's Analysis

1. Unregistered Agreement Cannot Confer Title

The Court held that under the Registration Act, 1908, any document that purports to transfer rights in immovable property must be compulsorily registered. The 1982 agreement was never registered, and its later "validation" in 2006 could not cure this statutory defect.

Further, the Court noted that there were two conflicting versions of the 1982 agreement, one indicating part payment and the other full payment, raising questions about its authenticity. Referring to Suraj Lamp & Industries Pvt. Ltd. v. State of Haryana, the Court reiterated that only a registered sale deed can legally transfer title.

2. Failure to Prove Possession

The petitioners failed to establish actual, lawful possession of the property. Their reliance on earlier interim orders issued in writ proceedings did not prove physical possession. The Court cited Balkrishna Dattatraya Galande v. Balkrishna Rambharose Gupta, to emphasize that in proceedings under Article 226 of the Constitution, possession must be demonstrated with evidence, not merely asserted.

3. Land Vesting Under Land Reforms: Final and Binding

The Court held that the land had already vested in the State in 1975 under the Andhra Pradesh Land Reforms (Ceiling on Agricultural Holdings) Act, 1973. Once such statutory vesting takes place, the land cannot be privately transferred. The alleged "revalidation" of the agreement in 2006 and the subsequent sale deeds executed in favour of the petitioners had no legal effect.

The Court relied on earlier binding decisions in State of A.P. v. N. Audikesava Reddy, and Omprakash Verma v. State of A.P., both of which had upheld the finality and legal sanctity of land vested under statutory ceiling laws.

Implications for Practitioners and Real Estate Stakeholders

- Developers should undertake comprehensive due diligence when acquiring land through GPA, unregistered agreements, or legacy title documents. This is especially critical in urbanizing areas or regions previously subject to land ceiling laws.
- Financial institutions must implement robust title verification before accepting land as collateral. Relying on layered or backdated documents poses significant legal and financial risks.
- Litigants and property buyers must recognize that registration is not a procedural step; it is the legal foundation of ownership. Courts will not uphold rights arising from unregistered documents, even when accompanied by possession or part performance.

Conclusion

The Supreme Court's ruling in Mahnoor Fatima Imran settles a critical position in Indian property law: registered ownership is the only valid foundation for title to immovable property. Unregistered agreements, however old or "validated," and claims based solely on possession cannot override statutory requirements for lawful transfer.

This judgment reiterates three fundamental principles:

- Title must originate from a registered conveyance, not merely from an agreement to sell or oral arrangements.
- Possession must be lawful and proven, not merely claimed or inferred from interim protection.
- Land vested under statutory land reform laws cannot be reclaimed through private agreements, regardless of how well-documented they appear.

For legal practitioners, the decision emphasizes the need to verify not just the documentation but also the legal history and statutory status of the land. For buyers, developers, and financial institutions, the takeaway is clear: due diligence is not optional. Every transaction must be backed by a properly executed and registered sale deed, as only such documentation is recognized in law as conferring ownership.

Supreme Court Rules: Developer Not Liable for Homebuyer's Loan Interest Due to Delay in Flat possession

In a landmark judgment delivered on June 4, 2025, the Supreme Court of India addressed a significant consumer rights issue involving the Greater Mohali Area Development Authority (GMADA) and two homebuyer's, Anupam Garg and Rajiv Kumar. The case, which began as a consumer complaint over delays and unilateral changes in a housing project, culminated in a detailed examination of the legal obligations of developers and the rights of consumers under Indian law. This article delves into the background of the case, the legal arguments presented, and the final decision of the Supreme Court.

Background of the Case

The dispute originated in 2011 when GMADA launched a residential flat scheme named 'Purab Premium Apartments' in Mohali. Anupam Garg, one of the respondents, applied for a 2-BHK apartment, paying ₹5,50,000 as earnest money. The allotment process, conducted through a 'draw of lots' in March 2012, was successful, and a Letter of Intent (LOI) was issued to Garg on May 21, 2012. This LOI detailed the payment schedule, ownership terms, and the timeline for possession, which was set for May 21, 2015.

Delays and Complaints

When Garg visited the development site in May 2015, he found no significant progress, leading him to believe that possession would be delayed by another 2-3 years. Consequently, he decided to opt out of the scheme and filed a consumer complaint (CC No.197 of 2016) against GMADA. Although this complaint was withdrawn due to technical reasons, GMADA later issued a letter of allotment-cum-offer of possession on June 29, 2016. However, Garg noticed unilateral changes in the project, prompting him to file another complaint.

State and National Commission Decisions

The State Consumer Disputes Redressal Commission (SCDRC) in Chandigarh partly allowed Garg's complaint, directing GMADA to refund the entire amount deposited, including 8% interest, compensation for mental harassment, litigation costs, and the interest paid on Garg's loan. This decision was upheld by the National Consumer Disputes Redressal Commission (NCDRC) in New Delhi, which also ordered GMADA to cover the interest paid by Garg on his loan.

Civil Appeal and Supreme Court Decision

Dissatisfied with the NCDRC's decision, GMADA appealed to the Supreme Court, arguing that it should not be liable for the respondents' loan interest. The respondents countered that the Commissions had the authority to grant compensation beyond the contractual terms. The Supreme Court, in its judgment, relied on several precedents, including Bangalore Development Authority v. Syndicate Bank and GDA v. Balbir Singh, which emphasized that compensation should be determined based on the specific facts and circumstances of each case.

The Court analysed the case and concluded that GMADA was not liable for the respondents' loan interest. The 8% interest already awarded was deemed sufficient compensation for the delay. The Court clarified that while Commissions have the power to grant compensation, it must be based on the specific loss or injury suffered by the consumer.

Conclusion

The Supreme Court's decision in the GMADA case marks a significant milestone in the ongoing dialogue between developers and homebuyers. By clarifying that GMADA is not liable for the respondents' loan interest, the Court has provided a balanced and fair resolution that respects both the contractual obligations of developers and the rights of consumers. This judgment underscores the importance of adhering to agreed-upon terms while also recognizing the need for reasonable compensation in cases of delay or deficiency in service. The Court's nuanced approach ensures that developers are held accountable for their actions, while also preventing undue financial burden on them. This decision sets a precedent for future disputes, emphasizing the need for transparency, accountability, and fairness in the housing market. Ultimately, it reaffirms the Supreme Court's commitment to upholding justice and protecting the interests of all parties involved in consumer disputes.

Industrial Disputes Act and Article 19(1)(g): Supreme Court Upholds Right to Close Business

The Supreme Court of India recently delivered a significant judgment in the case of Harinagar Sugar Mills Ltd. (Biscuit Division) versus the State of Maharashtra. This case, which has its roots in a long-standing business relationship and subsequent disputes over the closure of an industrial unit, provides important insights into the legal framework governing industrial closures under the Industrial Disputes Act, 1947, and the constitutional right to shut down a business under Article 19(1)(g).

The Background of the Case

Harinagar Sugar Mills Limited (HSML) had been engaged in biscuit manufacturing for Britannia Industries Limited (BIL) for over three decades. This arrangement was formalized under Job Work Agreements (JWA) that were periodically renewed. However, in May 2019, BIL terminated the JWA, citing a 180-day notice period as mandated by the agreement. This termination left HSML with no alternative but to close its biscuit division, as it had no other manufacturing avenues.

HSML applied for closure of its business, to the competent authorities on 26th August 2019, informing its workers via closure notices dated 28th August 2019. The application was made in accordance with the Industrial Disputes Act, 1947, which requires employers to seek prior permission from the appropriate government before closing an industrial establishment employing 100 or more workers.

The Government's Response and Subsequent Disputes

The Deputy Secretary of the Government of Maharashtra responded to HSML's application on 25th September 2019, stating that the application was lacking in details and requesting additional information. HSML provided further particulars on 10th October 2019, explaining the efforts made to prevent closure and the reasons for the proposed shutdown. However, the authorities again found the response lacking and asked for resubmission on 4th November 2019.

HSML contended that by 22nd November 2019, the permission for closure was deemed granted under Section 25-O(3) of the Industrial Disputes Act, 1947, as the appropriate government had failed to communicate its order within the stipulated 60-day period. This contention led to a series of legal proceedings, culminating in the Bombay High Court dismissing the writ petitions filed by HSML.

The High Court's Judgment and the Appeal to the Supreme Court

The Bombay High Court held that the letter dated 25th September 2019 was not an order but a request for additional information. It concluded that the application for closure was incomplete and that the deeming fiction under Section 25-O(3) did not apply. The High Court relied on internal file notings to support its conclusion that the application was deficient.

Dissatisfied with the High Court's decision, HSML appealed to the Supreme Court, arguing that the High Court had erred in relying on the wrong form (Form XXIV-B instead of XXIV-C) and that the application for closure was complete. HSML also contended that the deeming fiction under Section 25-O(3) should apply, and the closure should be deemed granted. They highlighted that the Deputy Secretary lacked the authority to ask for resubmission of the application.

The Supreme Court's Analysis and Decision

The Supreme Court, in its detailed judgment, held that the letter dated 25th September 2019 was not an order but a request for additional information. The Court emphasized that the Deputy Secretary lacked the authority to ask for resubmission of the application, as the appropriate authority vested solely with the Minister for Labour. The Court concluded that the application for closure was complete and that the deeming fiction under Section 25-O(3) applied.

The Court also made important observations regarding the right to carry on a business under Article 19(1)(g) of the Constitution. It noted that the right to close down a business is an integral part of the right to carry on a business, as guaranteed under Article 19(1)(g). This means that once a business is established, the owner has the fundamental right to decide whether to continue or cease operations. The Court cited its earlier judgment in Excel Wear v. Union of India (1978), where it was held that the right to close down a business is embedded in the right to carry on any business under Article 19(1)(g).

However, the Court acknowledged that while the right to close down a business is a fundamental right, it is not absolute. The state can impose reasonable restrictions on this right in the interest of the general public, as provided under Article 19(6). The Court referred to the Orissa Textile and Steel v. State of Orissa (2002) case, where it was held that the restrictions imposed by Section 25-O of the Industrial Disputes Act, 1947, are reasonable and in the interest of the general public.

The Supreme Court emphasized the need to balance the rights of the employer with the interests of the workers and the general public. The Industrial Disputes Act, 1947, provides a detailed framework for the closure of industrial undertakings to ensure a fair and regulated process. Employers intending to close an industrial establishment employing 100 or more workers must apply for prior permission from the appropriate government at least 90 days before the intended closure date. The application must clearly state the reasons for the intended closure and be served simultaneously on the representatives of the workmen. The appropriate government must conduct an enquiry and provide a reasonable opportunity for the employer, workmen, and other interested parties to be heard. Based on the genuineness and adequacy of the reasons provided, the interests of the general public, and other relevant factors, the appropriate government will pass a reasoned order granting or refusing permission. If the appropriate government does not communicate its order within 60 days of receiving the application, the permission for closure is deemed to be granted.

The Final Outcome and Compensation

The Supreme Court allowed the appeals, holding that the application dated 28th August 2019 was complete in all respects. The Court concluded that the 60-day period for deemed closure should be calculated from that date. The Court also directed HSML to pay an additional Rs. 15 crores as compensation to the employees, in addition to the gratuity they were entitled to. This compensation was intended to provide some measure of relief to the workers who were losing their jobs due to the closure of the biscuit division.

Conclusion

In conclusion, the Supreme Court's judgment in this case highlights the importance of adhering to the legal framework for industrial closures under the Industrial Disputes Act, 1947, and the constitutional right to carry on a business under Article 19(1)(g). The Court emphasized the need to balance the rights of employers with the interests of workers and the general public. This case underscores the importance of following prescribed procedures and respecting the rights of all stakeholders in industrial disputes.

Supreme Court Rules: Employees Don't Have an Absolute Right to Choose Their Retirement Timing

Introduction

The Supreme Court of India recently adjudicated a crucial decision in the case Kashmiri Lal Sharma v. Himachal Pradesh State Electricity Board[1], concerning the retirement age of disabled employees. The case involved an appellant, a 60% locomotor-disabled electrician employed by the Himachal Pradesh State Electricity Board, who challenged his retirement at the age of 58. The appellant argued that this disparity violated Article 14 of the Constitution and the principles outlined in disability rights legislation. However, in 2019, the State withdrew the OM, reverting the retirement age for all categories to 58 years. The Court reaffirmed that determining the retirement age is a policy decision resting with the executive, governed by the principles of equality under Article 14. This judgment offers critical guidance on the interplay between administrative discretion and individual rights within service law.

Background of the Case

The Supreme Court recently addressed a case involving an appellant, a 60% locomotor-disabled electrician employed by the Himachal Pradesh State Electricity Board, who was required to retire at the age of 58. In contrast, visually impaired employees were permitted to work until the age of 60. This disparity arose from an Office Memorandum (OM) issued on March 29, 2013, which raised the retirement age for visually impaired employees to 60 years. However, the State later withdrew this OM on November 4, 2019, reverting the retirement age to 58

The appellant, who retired on September 18, 2018, was granted an extension until the OM's withdrawal date. However, he contended that he should be allowed to continue in service until he reached 60 years, claiming equal treatment with visually impaired employees.

Rival Contentions

Appellant's Contentions:

The appellant strongly contended that the disparity in retirement age between himself and visually impaired employees constituted a clear violation of the principle of equality guaranteed under Article 14 of the Constitution. Furthermore, he claimed that he was entitled to remain in service until the age of 60, as the Office Memorandum (OM), which provided for this extended retirement age, was in effect during a significant portion of his employment. This, he maintained, established a legitimate expectation for him to benefit from the policy and continue in service under its provisions.

Respondent's Contentions:

The State government emphasized that setting the retirement age is inherently a policy decision that falls exclusively within the purview of the executive. They further contended that the withdrawal of the Office Memorandum (OM) on November 4, 2019, effectively invalidated any claims to an extended retirement age beyond that date, asserting that such policy changes could not create perpetual entitlements for employees.

Legal Provisions and Judgments

Article 14 of the Constitution guarantees equality before the law and prohibits arbitrary discrimination, ensuring fairness in administrative and legislative actions. The Court reaffirmed that determining the retirement age is fundamentally a policy decision that lies within the State's discretion. However, the State is obligated to exercise this power reasonably and in a manner that upholds the principle of equality. The Court invoked the provisions of the Persons with Disabilities (PWD) Act, 1995, and the Rights of Persons with Disabilities (RPWD) Act, 2016, both of which mandate equal treatment for individuals with benchmark disabilities in employment-related benefits. Citing the precedent established in Bhupinder Singh v. State of Punjab (2014)[2], the Court reiterated that parity in service benefits is a legal requirement for all disability categories covered under these statutes.

Supreme Court Analysis

The Supreme Court bench, consisting of Justices Manoj Misra and K.V. Viswanathan, carefully examined the legal and factual aspects of the case. It concluded that although the appellant was entitled to the benefits provided under the Office Memorandum (OM) until its withdrawal on November 4, 2019, he did not possess a vested right to continue in service beyond that date. The Court underscored that the determination of retirement age is not an inherent right of employees but rather a policy decision made by the executive, guided by administrative requirements and broader policy considerations. Additionally, the Court clarified that there was no violation of the equality principle under Article 14, as the benefits extended to the appellant aligned with the timeframe during which the OM remained effective.

Final Decision

The Supreme Court, while partially allowing the appeal, provided specific relief to the appellant. It held that the appellant was entitled to receive full wages and all service-related benefits for the period from October 1, 2018, to November 4, 2019. Furthermore, the Court directed that his pension and other consequential entitlements be calculated based on this extended period of service. The Court mandated uniform treatment for all benchmark disabilities recognised under the Persons with Disabilities Act, 1995 (PWD Act), and the Rights of Persons with Disabilities Act, 2016 (RPWD Act). However, the Court clarified that the appellant was not entitled to continue in service beyond November 4, 2019, the date on which the Office Memorandum (OM) was withdrawn. The bench firmly stated, “No right vested in the appellant to continue in service up to the age of 60 years on the date the OM was withdrawn,” reinforcing the principle that retirement age is determined by policy decisions rather than inherent rights.

Concluding Remarks

This landmark ruling reinforces the principle that employees do not have a fundamental right to dictate their retirement age, as such decisions are firmly within the policy-making domain of the executive. It affirms that the determination of retirement age, like other policy decisions, is a prerogative of the executive, which must act with fairness and reasonableness while ensuring adherence to constitutional principles. The judgment also highlights the judiciary’s role in upholding the separation of powers by respecting the sanctity of administrative policy decisions. For those dealing with the complexities of service law, this case serves as a clear precedent on the boundaries of individual rights concerning policy-driven employment terms.

Orissa High Court Holds MSEFC Awards Can Only Be Challenged Under Section 34 of the Arbitration Act

Introduction

The intersection of special statutes, such as the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and general arbitration law under the Arbitration and Conciliation Act, 1996, continues to generate jurisdictional questions. A recent judgment by the Orissa High Court in M/s Odisha Mining Corporation Ltd. v. Union of India & Ors. (W.P.(C) No. 22236 of 2014) addresses such a conflict.

The Court examined whether an arbitral award passed by the Micro and Small Enterprises Facilitation Council (MSEFC), Thane, challenged on grounds of lack of jurisdiction, breach of natural justice, and procedural impropriety, could be quashed through a writ petition. The judgment not only clarifies the territorial jurisdiction of MSEFCs but also reinforces the statutory supremacy of Section 34 of the Arbitration Act as the sole remedy against MSME arbitral awards.

Factual Background

The case stemmed from a 1994 contract between Odisha Mining Corporation Ltd. (OMC) and M/s Indiana Engineering Works (Mumbai-based) for the supply and commissioning of a crushing and screening plant in Keonjhar, Odisha. Disputes emerged over alleged underperformance and unpaid invoices. Indiana Engineering, a registered small enterprise in Maharashtra, approached the Industries Facilitation Council, Thane, in 2006 under the repealed Interest on Delayed Payments Act, 1993. The Council, later functioning under the MSMED Act, terminated conciliation and proceeded with arbitration under Section 18(3), ultimately passing an ex parte award in 2015. OMC challenged this process before the Orissa High Court via a writ petition under Articles 226 and 227 of the Constitution.

Procedural History and Timeline

Understanding the procedural journey of this dispute highlights the longstanding nature of the case and the legal hurdles encountered by both parties:

- 1994: Contract executed between OMC and Indiana Engineering for plant supply and commissioning in Odisha.
- 2006: Indiana Engineering filed proceedings before the Industries Facilitation Council, Thane, under the 1993 Act.
- 2007: The MSMED Act came into force; the proceedings continued under the new regime.
- 2013–2014: Conciliation and arbitration proceedings occurred before the Thane MSEFC.
- January 2014: Conciliation formally terminated under Section 18(2) of the MSMED Act.
- February 2015: Ex parte arbitral award passed against OMC.
- August 2014: OMC filed a writ petition before the Orissa High Court.
- June 2025: High Court dismissed the petition, upholding the MSEFC's jurisdiction and process.

Key Legal Issues and Findings

1. Whether Writ Jurisdiction Could Override the Arbitration Framework

OMC argued that the award was rendered without compliance with due process: they were not properly heard, notices were not effectively served, and the arbitration commenced without addressing preliminary objections. Based on these grounds, OMC sought to invoke the writ jurisdiction of the High Court to quash the award passed by the MSEFC.

However, the Court reiterated that arbitral awards passed under the MSMED framework are subject to challenge only under Section 34 of the Arbitration and Conciliation Act. It relied on the Supreme Court's decision in M/s Silpi Industries v. Kerala State Road Transport Corporation[1], which held that once the statutory arbitration mechanism under Section 18(3) of the MSMED Act is triggered, the only available remedy is a challenge under Section 34. The Court also echoed the principle in Whirlpool Corporation v. Registrar of Trademarks[2], that writ jurisdiction is not maintainable where a statutory remedy exists, unless there is a clear case of lack of jurisdiction or breach of fundamental rights.

2. Territorial Jurisdiction of the Thane MSEFC

OMC also contested the territorial jurisdiction of the Thane MSEFC, citing that the entire cause of action, including project execution and contractual performance, arose in Odisha, and that the contract contained an exclusive jurisdiction clause favoring Bhubaneswar courts.

The Court, however, relied on Section 18(4) of the MSMED Act, which grants jurisdiction to the MSEFC where the supplier is located. Since Indiana Engineering was registered in Maharashtra, the Thane Council had legitimate jurisdiction. The Court emphasized that statutory jurisdiction overrides contractual jurisdiction clauses, particularly when derived from a special enactment, such as the MSMED Act.

3. Validity of Proceedings under the Repealed IDP Act

OMC contended that since the claim was originally filed under the 1993 Act, the Thane MSEFC had no jurisdiction post-repeal. Rejecting this, the Court relied on Section 32(2) of the MSMED Act, which explicitly saves actions taken under the repealed law and deems them to have been taken under corresponding provisions of the MSMED Act.

Implications for MSME Suppliers and Buyers

This judgment has far-reaching consequences for suppliers, buyers, and legal professionals engaged in commercial contracts governed by the MSMED Act.

Implications for MSME Suppliers

- **Expanded Jurisdictional Clarity:** MSMEs can initiate proceedings before the MSEFC in the state of their registration, irrespective of the buyer's location or the place of contract execution.
- **Speedier Redress:** By affirming the limited scope of writ jurisdiction, the judgment reinforces the MSMED Act's framework for expedited dispute resolution.
- **Enforceability of Ex Parte Awards:** Arbitral awards passed ex parte remain valid and enforceable unless set aside under Section 34 of the Arbitration and Conciliation Act. Procedural irregularities alone will not invalidate such awards.

Implications for Corporate Buyers

- Statutory Forums Prevail Over Contractual Clauses: Exclusive jurisdiction clauses in commercial agreements do not override the statutory jurisdiction conferred on MSEFCs under Section 18(4) of the MSMED Act.
- Strict Timelines for Challenge: Objections to MSEFC awards must be filed strictly within the limitation period under Section 34 of the Arbitration Act. Writ petitions are not a substitute for statutory remedies.
- Importance of Early Engagement: Non-participation in conciliation or arbitration proceedings may result in binding ex parte awards, exposing buyers to significant financial liability.

Drafting Considerations for Legal Teams

In light of the judgment, legal teams should also reconsider their approach to contract drafting and risk planning when dealing with MSMEs:

- **Review Dispute Resolution Clauses:** Draft contracts with dispute resolution language that accounts for the overriding effect of the MSMED Act and the statutory jurisdiction of MSEFCs, particularly when one party is a registered MSME.
- **Proactive Risk Assessment:** In transactions involving MSMEs, early legal review and strategic planning can help mitigate jurisdictional uncertainty and limit exposure to enforcement risks, particularly where awards may be passed ex parte.

Conclusion

This decision by the Orissa High Court reaffirms the primacy of the MSMED Act as a special, self-contained legal regime for redressal of disputes involving micro and small enterprises. By affirming the territorial jurisdiction of the MSEFC based on the supplier's location and by limiting judicial interference to statutory remedies under Section 34 of the Arbitration Act, the Court strengthens the predictability and finality of MSME arbitration proceedings.

For buyers, this serves as a cautionary tale: non-cooperation or procedural objections cannot bypass the structured dispute resolution system of the MSMED Act. For suppliers, it reaffirms their right to seek expeditious redress from MSEFCs, regardless of where the buyer or contract performance is located.

Legal practitioners advising on MSME disputes should ensure procedural rigor and timely responses before MSEFCs, as post-award challenges are now tightly circumscribed.

Can Theatres Overcharge for Movie Tickets? The Madras High Court Says No

Introduction: When Going to the Movies Becomes a Legal Issue

Across India, cinema has long been more than just entertainment, it's a cultural phenomenon that brings people together. Whether it's a regional blockbuster or a much-anticipated pan-India release, the excitement of catching a film on opening day is shared by millions. Yet, that excitement is often dampened by a recurring issue: moviegoers being charged ticket prices far beyond the maximum rates prescribed by state governments, especially during the initial days of a film's release. In response to this persistent problem, the Madras High Court, in a recent judgment, took a firm stand against the unlawful practice of overcharging and emphasized the need for regulatory enforcement and consumer protection.

The Judgment: Upholding the Right to Fair Pricing

In G. Devarajan v. The Special Tahsildar & Ors. (W.P. No. 22844 of 2017, decided on 9 June 2025), Justice N. Anand Venkatesh of the Madras High Court addressed the issue of cinema theatres charging ticket prices in excess of the government-notified rates.

The petitioner, Advocate G. Devarajan, highlighted how certain theatres were collecting ticket charges well above the prescribed limit, sometimes as high as ₹300 to ₹500, particularly during major film openings. The Court held:

"Once the Government has fixed a rate for cinema tickets, theatre owners cannot fleece the moviegoers by collecting any excess amount from them."

While the State submitted that a monitoring committee was already in place to conduct joint inspections and initiate action against violators, the Court emphasized the need for effective and continuous enforcement. Importantly, the Court directed that:

- Theatres found in violation must be proceeded against, and
- Excess amounts collected must be refunded to affected consumers wherever feasible.

What Can Be Done?

The judgment is significant not just as a precedent, but also as a roadmap for both consumers and cinema operators across India. Here's what individuals and businesses can do if confronted with this issue:

If You're a Moviegoer and Have Been Overcharged:

1. Preserve Evidence: Always retain proof of the transaction—this may include physical ticket stubs, digital booking confirmations, payment screenshots, or email receipts from online ticketing platforms.
2. File a Complaint: (i) Submit a written complaint to the District Collector or Revenue Department of the relevant district, (ii) Bring the matter to the attention of the state-appointed Monitoring Committee, which is responsible for overseeing cinema ticket pricing compliance.
3. Consumer Protection Channels: If no action is taken by the authorities, you may lodge a complaint with the National Consumer Helpline (NCH) at https://consumerhelpline.gov.in, or Approach the District Consumer Disputes Redressal Commission under the Consumer Protection Act, 2019.
4. Social Accountability: Consider raising awareness through social media, attaching screenshots of overpricing to draw the attention of state departments or regulators.

If You're a Theatre Owner or Operator:

1. Stay Updated on Pricing Notifications: Regularly review the latest ticket pricing circulars issued by the State Government or District Administration, especially during festival or holiday releases.
2. Train Staff and Ticketing Agents: Ensure that all staff members especially those involved in counter sales and online ticketing are aware of the pricing caps and instructed to strictly follow them.
3. Audit Your Booking Systems: Collaborate with online ticketing partners (e.g., BookMyShow, Paytm, etc.) to ensure that ticket pricing software reflects the government-prescribed maximum.

Conclusion: A Step Toward Enforcing Everyday Consumer Rights

The Madras High Court's ruling is a welcome development in enforcing pricing discipline within the entertainment sector. It not only protects the average moviegoer from being unfairly charged but also reinforces the principle that regulatory ceilings on ticket prices are not optional, they are binding.

At its core, this case is a reminder of how legal mechanisms can uphold everyday rights in familiar spaces like your local cinema. As regulatory enforcement improves and consumer awareness grows, such judgments have the potential to shape fairer market practices across India, ensuring that the excitement of watching a new film isn't clouded by unlawful pricing.

The Delhi High Court Steps In to Protect Sadhguru Jagadish Vasudev's Personality Rights

The Delhi High Court has taken significant steps to protect the personality rights of Sadhguru Jagadish Vasudev, a globally revered spiritual leader. The case, Sadhguru Jagadish Vasudev & Anr. versus Igor Isakov & Ors. (CS(COMM) 578/2025), highlights the growing issue of unauthorized use of public figures' personas through modern technology and AI tools. The court's decision underscores the importance of safeguarding an individual's reputation and goodwill in the digital age.

Background of the Case

The case was initiated by Sadhguru Jagadish Vasudev and the Isha Foundation, a non-profit trust established by the Sadhguru, against multiple defendants who were allegedly involved in infringing the Sadhguru's personality rights. The Sadhguru, known for his contributions to spirituality and yoga, has millions of followers worldwide and has been actively involved in disseminating spiritual knowledge since 1984. The plaintiffs claimed that the defendants, through various websites and social media platforms, were using AI tools and modern technology to create deep fakes and unauthorized content that misrepresented the Sadhguru, causing significant damage to his reputation and goodwill.

Legal Proceedings and Applications

The plaintiffs filed an application under Section 12A of the Commercial Courts Act, 2015, read with Section 151 of the Code of Civil Procedure, 1908 (CPC), seeking exemption from pre-litigation mediation. They argued that pre-litigation mediation would be impractical given the nature of the infringement and the urgency of the situation. The court, considering the averments made in the application and the judgment in Yamini Manohar v. T.K.D. Krithi (2024) and Chandra Kishore Chaurasia v. R. A. Perfumery Works Private Limited (2022), granted the exemption.

Contentions of the Petitioner

The plaintiffs contended that the Sadhguru's personality rights were being infringed by the defendants through unauthorized use of his name, image, likeness, voice, and other aspects of his persona. The defendants were using modern technology and AI tools to create deep fakes and misleading content to perpetrate financial scams and promote products or services. The unauthorized use of the Sadhguru's persona was causing irreparable harm to his reputation and goodwill. The plaintiffs sought various reliefs, including permanent injunction, damages, rendition of accounts, and appropriate directions to the authorities to prevent further infringement.

Issues Raised and Legal Provisions

The primary issues raised in the case were the unauthorized use of the Sadhguru's personality rights by the defendants, the creation and dissemination of deep fakes and misleading content using AI tools, and the potential for financial scams and misrepresentation.

Court's Analysis and Decision

The court analysed the case by considering the Sadhguru's significant reputation and goodwill, evidenced by his numerous awards, publications, and international recognition. The unauthorized use of the Sadhguru's persona by the defendants included creating deep fakes and misleading content for commercial gain. The court recognized the potential for widespread harm due to the nature of the internet and social media platforms, which could quickly disseminate false information. The court granted several reliefs to the plaintiffs, including an injunction against defendants 1-41 and 48, prohibiting them from using or exploiting the Sadhguru's name, image, likeness, voice, and other aspects of his persona without his express written authorization. The court also directed various service providers to suspend or disable specific websites, accounts, and channels identified by the plaintiffs as infringing on the Sadhguru's personality rights.

Conclusion

The Delhi High Court's decision in Sadhguru Jagadish Vasudev & Anr. versus Igor Isakov & Ors. (CS(COMM) 578/2025) is a significant step in protecting the personality rights of public figures in the digital age. The court's order highlights the importance of safeguarding an individual's reputation and goodwill, especially when unauthorized use of their persona can lead to significant harm. This case sets a precedent for future legal actions against unauthorized use of personality rights and highlights the need for effective legal remedies to address rapidly evolving online infringement platforms.

Landmark Victory for Senior Citizens’ Rights: The Bombay High Court Upholds Eviction Order Under The Maintenance and Welfare of Parents and Senior Citizens Act, 2007

In a landmark judgment, the Bombay High Court has reaffirmed the rights of senior citizens under The Maintenance and Welfare of Parents and Senior Citizens Act, 2007. The case involved senior citizens Chandiram Anandram Hemnani and Sushila Chandiram Hemnani, who sought eviction of their son and daughter-in-law from their property. The High Court’s decision highlights the importance of protecting the rights of the elderly and ensuring they can enjoy their property without undue interference.

Chandiram and Sushila Hemnani, aged 67 and 66 respectively, purchased a bungalow in Nandurbar, Maharashtra, in 2008. They allowed their son, Mukesh Chandiram Hemnani, and his wife, Ritu Mukesh Hemnani, to reside with them after their marriage. However, disputes arose, leading to a hostile environment and frivolous litigations filed by the daughter-in-law against the petitioners. The situation escalated to the point where the elderly couple felt compelled to seek legal recourse to protect their rights and property.

The petitioners invoked the provisions of The Maintenance and Welfare of Parents and Senior Citizens Act, 2007, to seek eviction of their son and daughter-in-law. The Tribunal, presided over by the Sub Divisional Officer, Nandurbar, ordered the eviction of the respondents on 18 February 2019. However, the daughter-in-law appealed this decision before the Senior Citizens Appellate Tribunal, which allowed her appeal on 7 August 2020. The Appellate Tribunal set aside the eviction order, directing the petitioners to approach the civil court for appropriate proceedings. Dissatisfied with this decision, the petitioners filed a writ petition in the High Court of Judicature at Bombay.

The petitioners argued that the Appellate Tribunal’s decision was perverse and contrary to the spirit of the Act, which aims to protect the rights of senior citizens. They submitted that they were the absolute owners of the property and had allowed their son and daughter-in-law to stay out of kindness, which was misused. The petitioners highlighted that the daughter-in-law had filed frivolous litigations and criminal cases against them, causing harassment. They relied on judgments from previous cases, including Dattatrey Shivaji Mane vs. Lilabai Shivaji and Shweta Shetty vs. State of Maharashtra, to support their argument that the Act allows for eviction in such scenarios.

In response, the daughter-in-law claimed that she had the right to reside in the property due to pending matrimonial proceedings under the Hindu Marriage Act, 1955, and proceedings under the Domestic Violence Act, 2005. She also cited criminal proceedings against her husband and the petitioners under the Indian Penal Code. The respondents argued that the dispute was purely civil in nature and that the petitioners should approach the civil court for eviction.

The High Court, in its analysis, noted that the petitioners were the absolute owners of the property and that the respondents failed to establish any legal right to reside in it. The Court found that the Appellate Tribunal erred by considering the dispute as purely civil and directing the petitioners to approach the civil court. The Court emphasized that the Act is a beneficial legislation aimed at protecting the rights of senior citizens, and its provisions should be interpreted to advance its objectives. The conduct of the daughter-in-law, including non-compliance with court orders, warranted serious consideration.

The High Court allowed the writ petition and quashed the order of the Appellate Tribunal. The original order of the Tribunal directing the eviction of respondents No.3 and 4 was confirmed. The respondents were directed to vacate the petitioners' house within 30 days from the date of the judgment. The petitioners were awarded costs against respondents No.3 and 4.

This judgment highlights the importance of protecting the rights of senior citizens and ensuring they can enjoy their property without undue interference. It reaffirms the legislative intent behind The Maintenance and Welfare of Parents and Senior Citizens Act, 2007 and provides a clear precedent for future cases involving similar issues.

Balancing Development and Conservation: The Mumbai Open Spaces Debate

Introduction

In a landmark case, NGO Alliance for Governance and Renewal (NAGAR) vs State of Maharashtra, 1the Bombay High Court examined a conflict between urban development and environmental conservation. The case, brought forward by the NGO Alliance for Governance and Renewal (NAGAR), challenged the Maharashtra Government's policy permitting the use of public recreational spaces for slum rehabilitation. This legal battle highlighted a critical question about how a densely populated city like Mumbai can balance the housing needs of its residents with the preservation of open spaces.

Background of the Case

The controversy stemmed from a 1992 government notification and subsequent amendments to the Development Control and Promotion Regulations (DCPR) 2034. Regulation 17(3)(D)(2) allowed converting up to 65% of reserved open spaces exceeding 500 sq. meters into housing zones under the Slum Rehabilitation Authority (SRA) schemes. NAGAR argued that this provision contravened the city's Development Plan, which allocated specific areas for recreational use. These open spaces, vital for urban health, were already diminishing in a city plagued by unplanned development and overcrowding. The petition brought into focus the broader implications of encroaching on these spaces, citing environmental degradation, reduced public amenities, and the erosion of public trust in urban governance.

Legal Provisions

The petition challenged the impugned regulation by invoking key constitutional and statutory principles. It relied on Articles 14 and 21 of the Constitution to assert equality before the law and highlight the fundamental right to a healthy environment as an essential component of the right to life. The Maharashtra Regional and Town Planning Act, 1966 (MRTP Act), was cited to emphasise the necessity of strict compliance with the Development Plan, which earmarked open spaces for recreational purposes. Additionally, the Doctrine of Public Trust was invoked to underline the State's obligation to act as a trustee of public lands, ensuring their preservation for collective use. The principles of Sustainable Development and the Precautionary Principle further bolstered the argument, mandating that developmental policies prioritise long-term ecological balance over short-term economic benefits.

Rival Contentions

- Petitioner's Arguments: NAGAR contended that the government's actions undermined the intent of public land reservations in the Development Plan. They argued that the changes prioritised housing at the cost of public health and urban ecology. Citing judicial precedents like MC Mehta v. Union of India2, they emphasised the necessity of preserving public spaces. The NGO also argued that alternative housing solutions could address the slum crisis without encroaching on reserved open spaces, asserting that unchecked urbanisation would lead to irreversible environmental damage.
- Respondent's Position: The Maharashtra Government and SRA justified the amendments as critical for alleviating the city's housing shortage, particularly for the economically weaker sections. They emphasised that the policy adhered to the principles of inclusivity and urban development. Additionally, they argued that the regulation only affected surplus open spaces, leaving smaller plots untouched. The government highlighted that slum rehabilitation is a constitutional obligation under Article 21 and serves as a critical component of Mumbai's urban renewal strategy.

High Court Analysis

The **Bombay High Court** took a balanced approach, weighing the competing interests of housing and environmental conservation. The Court acknowledged the acute housing shortage in Mumbai but emphasised that public open spaces are essential for the mental and physical well-being of urban residents.

The Court observed that the impugned regulation diluted earlier safeguards, reducing the threshold for land eligibility and permitting construction on previously untouched open spaces. It reiterated the principles of sustainable development, inter-generational equity, and the public trust doctrine, asserting that the State's fiduciary duty cannot be compromised for short-term housing goals. Citing international urban planning models, the Court highlighted how progressive cities have successfully balanced housing needs with green spaces, urging Mumbai to adopt a similar approach.

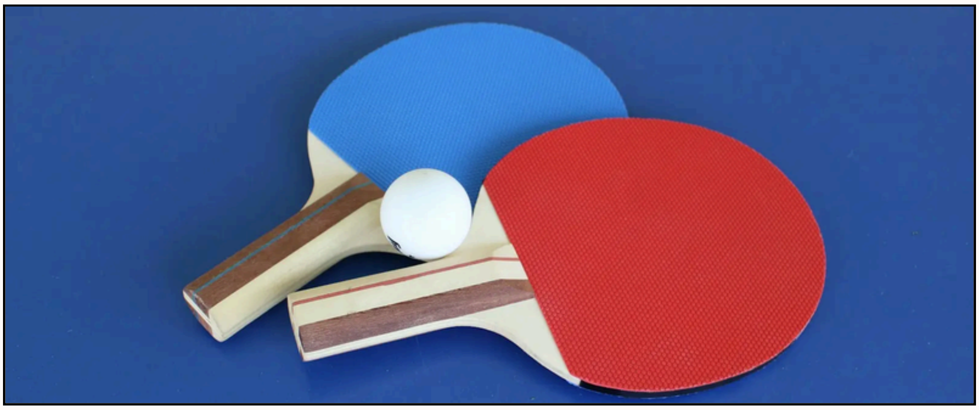
Final Decision

The Court struck down the contentious provisions of Regulation 17(3)(D)(2), holding them inconsistent with urban planning principles and constitutional mandates. It directed the State to revise its housing policies, ensuring they align with the MRTP Act and the Development Plan's intent. The judgment reaffirmed that public open spaces cannot be repurposed without demonstrating compelling public interest and adherence to legal safeguards.

Conclusion

This case serves as a crucial precedent for balancing urban development and environmental conservation. The Bombay High Court's decision underscores the importance of preserving public spaces as a shared resource, essential for the quality of life in a densely populated city like Mumbai. By reaffirming the principles of sustainable development, the Court has paved the way for more equitable and environmentally conscious urban policies.

The judgment is a reminder that while addressing housing challenges is vital, it must not come at the expense of the city's ecological and recreational lifelines. Policymakers must prioritise solutions that integrate inclusivity with sustainability, ensuring a harmonious coexistence of development and conservation.



CCI's Table Tennis Verdict: A New Framework for Competition Law in Indian Sports Governance

Introduction

As Indian sports undergo rapid commercialization driven by private leagues, media rights, and athlete endorsements, the regulatory authority traditionally held by national federations is facing increasing legal scrutiny. One significant legal development in this context is the Competition Commission of India's (CCI) order in TT Friendly Super League Association v. Table Tennis Federation of India1, which sets a critical precedent for how competition law applies to sports governance.

Delivered in December 2024, the CCI's ruling affirms that regulatory status and non-profit character do not shield sports bodies from antitrust scrutiny when they operate as market participants. The case is particularly instructive because it addresses a foundational question: Can a regulator also act as a competitor in the same market? The Commission's answer, rooted in statutory interpretation and economic logic, is a firm no.

Factual Background

The Informant, TT Friendly Super League Association (TTFSL), is a not-for-profit company that organizes informal, non-ranking table tennis tournaments aimed at encouraging broader participation beyond the conventional federation circuit.

The matter arose from a WhatsApp advisory dated 30 October 2020, issued by the Suburban Table Tennis Association (TSTTA). The advisory warned players, coaches, and affiliated clubs against participating in events organized by unaffiliated entities such as TTFSL and indicated that such participation could result in suspension or disqualification from official tournaments.

Alleging anti-competitive conduct under Sections 3 and 4 of the Competition Act, 2002, TTFSL approached the Competition Commission of India (CCI). The Commission directed an investigation into the conduct of four associations:

- The Suburban Table Tennis Association (TSTTA), the district-level governing body for Mumbai Suburban
- The Maharashtra State Table Tennis Association (MSTTA), the state-level federation
- The Table Tennis Federation of India (TTFI), the national apex body recognised by the Ministry of Youth Affairs and Sports
- The Gujarat State Table Tennis Association (GSTTA), the governing body for the sport in Gujarat

IRelevant Market and Dominance

The Director General (DG) identified two relevant markets:

- The market for organising table tennis tournaments in India; and
- The market for the provision of player services in such tournaments.

The Commission accepted this delineation and held that:

- TTFI held dominance at the national level, being the sole federation recognized by the Ministry of Youth Affairs and Sports and affiliated with the International Table Tennis Federation (ITTF).
- MSTTA, GSTTA, and TSTTA were found to be dominant within their respective jurisdictions, owing to the pyramidal governance structure that granted them de facto control over event organisation and player participation.

Further, the Commission reaffirmed that all four associations qualified as "enterprises" under Section 2(h) of the Competition Act, given their involvement in economic activities such as tournament organisation, fee collection, prize distribution, and sponsorship management.

Abuse of Dominance by Table Tennis Federations under Section 4

The Commission concluded that the conduct of all four associations amounted to abuse of dominance, violating Sections 4(2)(a)(i), 4(2)(b)(i), and 4(2)(c) of the Competition Act, 2002.

1. TSTTA's WhatsApp Advisory

The WhatsApp advisory issued by the Suburban Table Tennis Association served as a coercive directive, warning players and coaches against participating in unaffiliated tournaments. Though informally worded, it threatened disciplinary consequences, creating a chilling effect that restricted player participation and deterred independent organizers. Despite its withdrawal in February 2022, the Commission held that it had already achieved its exclusionary objective.

2. TTFI's Restrictive Clauses

The Commission scrutinized Clauses 24C(e), 24C(h), 27(a), and 28(a)-(b) of the Table Tennis Federation of India's Memorandum of Association, which:

- Prohibited unauthorized events
- Barred from participation in non-recognized tournaments
- Empowered disciplinary action for violations

These provisions were found to be overly restrictive and anti-competitive, foreclosing opportunities for independent organizers and curbing athletes' autonomy. Although amended in September 2024, the Commission noted that its earlier enforcement had caused substantial market harm.

3. MSTTA and GSTTA's Conduct

Both MSTTA and GSTTA engaged in similar restrictive practices. MSTTA issued public statements discouraging unaffiliated participation, while GSTTA required players to sign written undertakings pledging not to join unrecognized tournaments.

These actions were found to reinforce a closed and hierarchical structure, limiting entry for unaffiliated organizers and undermining competition. The Commission concluded that such practices effectively foreclosed the market and hindered alternative platforms for players.

Vertical Restraints under Section 3(4)

In addition to abuse of dominance, the CCI held that TSTTA's conduct also constituted vertical restraints under Section 3(4) of the Competition Act, 2002, specifically:

- Exclusive dealing [Section 3(4)(c)]; and
- Refusal to deal [Section 3(4)(d)]

The WhatsApp advisory operated as a binding instruction to players and affiliated clubs, effectively deterring engagement with unaffiliated organizers. This conduct was held to have caused an appreciable adverse effect on competition (AAEC). The Commission rightly observed that such vertical control could not be justified under the guise of sports federation governance.

Compliance and Cease-and-Desist Order

All four associations undertook remedial measures during the inquiry. TSTTA withdrew its advisory; TTFI amended its MoA; GSTTA repealed restrictive clauses and circulars; and clarificatory notices were issued assuring no penalties for unaffiliated participation.

Considering these steps and the fact that this was a first-time violation, the CCI refrained from imposing monetary penalties. Instead, it issued a cease-and-desist order under Section 27, with a warning that repeat violations would invite stricter consequences, including financial penalties and personal liability.

Legal and Policy Implications

Autonomy vs. Market Accountability
While widely seen as a pro-competition ruling, the decision raises legitimate concerns about the autonomy of National Sports Federations (NSFs), which derive their authority from the National Sports Development Code, 2011. However, the CCI made clear that such autonomy cannot shield federations from antitrust scrutiny when they engage in exclusionary economic conduct.

The order does not interfere with legitimate regulatory functions—it simply curbs the misuse of power that forecloses competition. In doing so, the Commission draws a clear line between governance and market control.

Recognition of Player Rights
The ruling also affirms athletes' right to compete, free from arbitrary sanctions for participating in unaffiliated events. This signals a shift toward player-centric regulation, in line with evolving global sports law standards. It reinforces the need for federations to adapt to a more open, innovation-friendly sporting ecosystem.

Key Takeaways

This ruling makes important contributions to the evolving interface of sports governance and competition law in India:

- Sports federations are subject to antitrust scrutiny when they engage in market-facing conduct.
- Regulatory control cannot justify exclusionary practices against players or independent organizers.
- The CCI affirms athlete autonomy and market access, reinforcing open competition in sports governance.

Conclusion

The CCI's ruling serves as a timely reminder that regulatory authority cannot be used to entrench a monopoly. Sports federations must now review their constitutions and align their practices with the principles of fair competition. Blanket bans and restrictive policies must be replaced by transparent and proportionate governance frameworks.

This verdict also sends a strong message to emerging leagues and independent organizers: India's legal regime is increasingly supportive of market access, innovation, and athlete choice. As sport continues to evolve as both an industry and a cultural force, this decision marks a necessary shift towards more inclusive and competitive regulation.

NCLAT Rules on Liquidator Replacement in Voluntary Liquidation: No NCLT Approval Required

Introduction

In a significant decision upholding the autonomy of corporate persons in voluntary liquidation, the National Company Law Appellate Tribunal (NCLAT), Principal Bench, New Delhi, in Vinod Singh v. Chandra Prakash Jain & Ors.1, held that the National Company Law Tribunal (NCLT) has no jurisdiction to restrain the replacement of a liquidator appointed under the voluntary liquidation process governed by Section 59 of the Insolvency and Bankruptcy Code, 2016 ("IBC").
This ruling clarifies the regulatory distinction between liquidation under voluntary proceedings and compulsory liquidation following corporate insolvency resolution processes (CIRP), and limits the extent of judicial intervention by adjudicating authorities in matters where statutory procedures have been duly followed.

Background of the Case

The dispute arose during the voluntary liquidation of Transmissions International India Private Limited (TIIPL), a solvent company undergoing liquidation under Section 59 of the Insolvency and Bankruptcy Code, 2016.
Initially, the shareholders appointed Mr. Umesh Ved as the liquidator, who was later replaced by Mr. Chandra Prakash Jain, following a shareholder resolution. Subsequently, citing concerns regarding Mr. Jain's conduct, such as alleged breaches of statutory duties and lack of transparency, the Board of Directors passed a resolution on 28 February 2025 to remove him. This decision was ratified by the shareholders in an Extraordinary General Meeting (EGM) held on 17 March 2025, and Mr. Arun Gupta was appointed as the new liquidator.
Mr. Jain challenged his removal by filing an interlocutory application (IA) before the National Company Law Tribunal (NCLT), Ahmedabad. On 28 March 2025, the NCLT directed the parties to maintain the status quo with respect to the liquidator, effectively restraining the replacement. The matter, originally reserved for judgment, was later de-reserved on 29 April 2025, thereby continuing the status quo and leading to the present appeal before the National Company Law Appellate Tribunal (NCLAT).

Key Legal Issue

The central legal question before the Appellate Tribunal was whether the Adjudicating Authority

(NCLT) has the jurisdiction to interfere with or restrain the replacement of a liquidator during a voluntary liquidation process, when such replacement is carried out in accordance with Section 59 of the Insolvency and Bankruptcy Code, 2016 and Regulation 5 of the IBBI (Voluntary Liquidation Process) Regulations, 2017.

NCLAT's Reasoning and Observations

1. Voluntary Liquidation Is a Distinct Regime

The NCLAT observed that voluntary liquidation under Section 59 of the IBC constitutes a self-contained regime, distinct from liquidation under Sections 33 and 34, which apply following a corporate insolvency resolution process (CIRP). In voluntary liquidation, the processes for appointing or replacing a liquidator are governed by shareholder decisions, without requiring intervention from the adjudicating authority.

2. Regulation 5 Permits Replacement Without NCLT Approval

The Tribunal emphasized that Regulation 5 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 allows a corporate person to appoint or replace a liquidator through a resolution, without the need for NCLT's approval. Referring to the IBBI's FAQs, it clarified that a liquidator may be replaced using the same procedure followed for the initial appointment.

3. NCLT Acted Beyond Its Jurisdiction

The NCLAT held that the NCLT's direction to maintain the status quo was beyond its jurisdiction and inconsistent with the statutory framework. Since the replacement of Mr. Jain as liquidator was validly carried out by the board and shareholders, the Tribunal found no basis for judicial interference in the matter.

4. De-reservation of Judgment Was Procedurally Improper

The Appellate Tribunal also took exception to the NCLT's subsequent decision to de-reserve its reserved judgment, citing procedural irregularities in the filings by certain respondents. It noted that these procedural issues were already known at the time the matter was reserved, and reopening it on the same grounds was arbitrary. The Tribunal referred to the Supreme Court's decision in Arjun Singh v. Mohindra Kumar [(1964) 5 SCR 946] to emphasize that once a judgment is reserved, the process should move seamlessly to pronouncement unless compelling reasons justify otherwise.

Outcome and Directions

- The NCLAT set aside the status quo order dated 28 March 2025, thereby allowing the newly appointed liquidator, Mr. Arun Gupta, to proceed with the voluntary liquidation process.
- It directed the former liquidator, Mr. Chandra Prakash Jain, to hand over all relevant documents and cooperate with the new liquidator, in compliance with Regulation 41(4) of the IBBI (Voluntary Liquidation Process) Regulations.
- The Tribunal disposed of the appeal against the de-reservation order with a specific direction to the NCLT to first determine the maintainability of Mr. Jain's challenge to his removal at the next scheduled hearing.

Practical Takeaways

1. Corporate Autonomy in Voluntary Liquidation
Directors and shareholders have full authority to appoint or replace a liquidator during voluntary liquidation. Judicial intervention is not warranted unless there is evidence of fraud, misconduct, or illegality.

2. Limited Scope of Judicial Review
The NCLAT reaffirmed that adjudicating authorities cannot interfere with decisions made in accordance with Section 59 of the IBC and the Voluntary Liquidation Regulations. Once a liquidator has been validly replaced, maintaining the status quo is beyond the NCLT's jurisdiction.

3. Need for Timely Completion of Voluntary Liquidation
The Tribunal stressed the importance of completing voluntary liquidation in a time-bound manner. Procedural delays and judicial overreach can undermine the efficiency and finality that the IBC framework is designed to ensure.

Conclusion

The NCLAT's ruling reaffirms the limited role of judicial intervention in commercial decisions made under the self-contained voluntary liquidation framework. For stakeholders, including shareholders, directors, and insolvency professionals, this decision offers much-needed clarity: as long as the process adheres to the provisions of the IBC and the Voluntary Liquidation Regulations, it may proceed without court-imposed impediments. The judgment reaffirms the principle that voluntary liquidation is a shareholder-driven process, and regulatory interference must be minimal unless justified by statutory violations.

Section 95 IBC: NCLAT Chennai Bars Consecutive Insolvency Applications Against Same Guarantor

In a recent judgment, the National Company Law Appellate Tribunal (NCLAT) in Chennai addressed a significant issue concerning the initiation of insolvency resolution proceedings under the Insolvency and Bankruptcy Code (I & B Code). The case, titled "Indian Bank v. K R Tirumuruhan" (Company Appeal (AT) (CH) (Ins) No.150/2025), highlights the legal complexities and precedents set in insolvency matters, particularly when multiple financial creditors seek to initiate proceedings against the same personal guarantor.

Case Background

The case involves Indian Bank, the financial creditor, and K R Tirumuruhan, a personal guarantor. Indian Bank, through its Stressed Assets Management Branch in Chennai, sought to initiate insolvency resolution proceedings against K R Tirumuruhan under Section 95 of the I & B Code. The application was filed before the National Company Law Tribunal (NCLT), Chennai Bench, in case number CP(IB)80/2024. However, the NCLT dismissed the application on 06.01.2025, deeming it infructuous and allowing the bank to file afresh at a later date. The dismissal was based on the fact that another financial creditor, IDBI Trusteeship Services Limited, had already initiated proceedings under Section 95 of the I &B Code,2016 against the same personal guarantor in a different case, CP(IB) No.785/2020. This prior initiation created a bar under Section 96 of the I & B Code, preventing subsequent applications against the personal guarantor.

Legal Provisions and Judgments Relied Upon

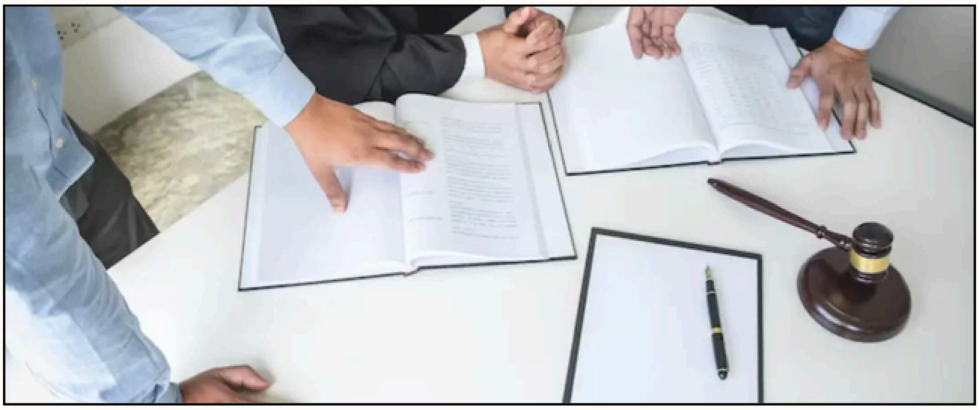
The NCLAT's decision in this case was influenced by specific provisions of the I & B Code and a previous judgment. Section 95 of the I & B Code allows financial creditors to initiate insolvency resolution proceedings against personal guarantors. However, Section 96 of the I & B Code creates a bar against subsequent applications under Section 95 once proceedings have been initiated by another financial creditor against the same personal guarantor. The NCLAT also referred to a previous judgment in the case of Indian Bank, SAMB, Chennai Vs T. Prabhakar (Comp App (AT) (CH) (Ins) No.121/2025). In that case, the NCLAT dismissed a similar appeal on 30.04.2025, upholding the NCLT's decision to dismiss an application under Section 95 due to the bar created by Section 96.

Final Decision

The NCLAT dismissed the current appeal (Company Appeal (AT) (CH) (Ins) No.150/2025) on 04.06.2025. The tribunal upheld the NCLT's decision to dismiss the application under Section 95, citing the bar created by Section 96 of the I & B Code. The NCLAT also requested the NCLT to expedite the pending Section 95 proceedings, which were the source of grievance for the appellant. This decision reinforces the principle that once insolvency proceedings are initiated by one financial creditor, subsequent applications by other creditors against the same personal guarantor are barred.

Conclusion

The judgment in "Indian Bank v. K R Tirumuruhan" emphasises the importance of legal precedents and the strict application of the I & B Code in insolvency matters. It highlights the need for financial creditors to be aware of existing proceedings before initiating new ones, thereby ensuring the efficient and fair resolution of insolvency cases. This case serves as a reminder of the legal complexities involved in insolvency proceedings and the significance of adhering to established legal principles.



Admission of CIRP Under Section 7 of the IBC, 2016, is Liable to Be Recalled Upon Establishment of Fraud or Malicious Intent Under Section 65 of the Code

The Hon'ble National Company Law Appellate Tribunal (NCLAT) in the matter of Acute Daily Media Pvt. Ltd. and Ors. Vs. Rockman Advertising and Marketing (India) Ltd. and Ors. bearing no. Company Appeal (AT) (Insolvency) No. 1480 of 2024 had upheld the order dated 12.06.2024 passed by the Adjudicating Authority (NCLT, New Delhi, Bench-II), terminating the Corporate Insolvency Resolution Process (CIRP) against a corporate debtor, having found that the insolvency proceedings were initiated fraudulently and with malicious intent. This decision reinforces the significance of the protective mechanism under Section 65 of the Insolvency and Bankruptcy Code, 2016, which prohibits the initiation of insolvency proceedings for a purpose other than the legitimate resolution of insolvency and serves as a safeguard against the abuse of the Code's process.

Facts of the Case

"The Appellants had initiated CIRP under Section 7 of the IBC, claiming to be financial creditors based on loan agreements allegedly executed in 2016. An order admitting the application was passed on 17.05.2022. However, Respondent No.1(Rockman Advertising), a shareholder in the corporate debtor company, filed I.A. No. 3602/2022 under Section 65 of the Code,2016, asserting that the initiation of CIRP was fraudulent and intended to defeat ongoing litigation in Operational and Mismanagement Petition (OMP) proceedings related to illegal dilution of his shareholding from 62.57% to 17.86%.

The Adjudicating Authority vide its order dated 12.06.2024, allowed the application filed by the Respondent under Section 65 of the Code and terminated the CIRP, citing collusion, document fabrication, and strategic misuse of the insolvency process. The present appeal was filed challenging the said termination order.

Issues Involved

- Whether in the facts of present case, there was sufficient evidence before the Adjudicating Authority to establish that the Section 7 application was filed collusively and with mala fide intent by the Appellants, thereby justifying the invocation of Section 65 of the IBC and the consequent recall of the initiation of CIRP against the Corporate Debtor?

- Whether the Adjudicating Authority had jurisdiction under Section 65 to terminate CIRP proceedings post-admission on grounds of fraud and malicious intent?

Contentions of the Parties

By the Appellant: (Acute Daily Media Pvt. Ltd. and Ors.)

The Counsel for the Appellant argued that the existence of financial debt and default is well established. Loan disbursals made to the corporate debtor are supported by tally entries, and there has been no evidence of repayment by the corporate debtor. Furthermore, the total debt owed exceeds the threshold of ₹1 crore, thereby fulfilling the criteria for maintainability of the application under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016.

It was further contended that minor technical deficiencies in documentation, such as incorrect or outdated addresses, or the use of standard-format loan agreements, do not negate the existence of a valid financial debt.

It was further argued that even if there were technical violations of the Companies Act in the manner the loan agreements were executed or approved, such infractions do not impact the maintainability of the application under the IBC.

By the Respondent: (Rockman Advertising and Marketing (India) Ltd. and Ors.)

The Counsel for the Respondent argued that the initiation of the Corporate Insolvency Resolution Process (CIRP) by the appellants constitutes an abuse of process under Section 65 of the Insolvency and Bankruptcy Code (IBC), which serves as a safeguard against fraudulent or malicious proceedings. It is argued that the application was a colourable device aimed at defeating Respondent No.1's legal rights, particularly in light of adverse findings against the appellants in the order dated 20.07.2022 in the OMP proceedings, which confirmed the illegal reduction of Respondent No.1's shareholding and ordered its restoration, thereby affirming his locus to invoke Section 65.

It was further argued that the alleged loan transactions forming the basis of the CIRP were fabricated, as revealed through forensic analysis which uncovered identical loan agreements across different creditors, premature references to the IBC prior to its enforcement, unstamped and undated documents, mismatches between board meeting dates and MCA filings, and address discrepancies. In addition, statutory audit reports from FY 2016–17 to FY 2020–21 recorded no borrowing costs or interest expenses in the corporate debtor's accounts, no evidence of loans in its books, and no interest income in Appellant No.1's balance sheets, thereby contradicting the claimed 12% interest. The Respondent's Counsel also highlights violations of the Companies Act, 2013, including contraventions of Section 76 due to unauthorized acceptance of loans from non-members and breaches of Section 186(2) as the loans exceeded Appellant No.1's paid-up capital without valid board authorization.

Findings of the Learned NATIONAL COMPANY LAW TRIBUNAL

The NCLT, in its findings, held that the initiation of CIRP by the Appellants was fraudulent and malicious and lacking bona fides, aimed at defeating the rights of Respondent No.1, the majority shareholder, thereby attracting the provisions of Section 65 of the IBC. It observed suppression and fabrication of material facts, including ante-dated loan agreements with inconsistent details such as incorrect registered office addresses, premature references to the IBC, identical formatting, and unverified board resolutions, none of which were supported by statutory audit reports that recorded no loans or borrowing costs. The Appellants were also found in violation of Section 186(2) of the Companies Act, 2013, having extended a Rs.50 lakh loan despite a paid-up capital of only Rs.10 lakh, and the CD had accepted deposits from non-members in contravention of Section 76. The timing of the Section 7 application, which coincided with adverse findings in related OMP proceedings, revealed an attempt to misuse the CIRP mechanism to frustrate parallel litigation. Furthermore, the absence of interest income in the Appellant's financials undermined the existence of a "financial debt" under Section 5(8) of the IBC. The NCLT also rejected reliance on the CD's internal Tally records as self-serving and instead preferred audited financial statements, which did not reflect any such loans. Asserting its jurisdiction under Section 65 even post-admission of CIRP, the NCLT allowed I.A. No. 3602/2022, thereby terminating the CIRP, and directed issuance of a show cause notice to the Appellants under Rule 59 of the NCLT Rules, 2016, for action under Section 65(1) of the IBC.

Findings of the Hon'ble NATIONAL COMPANY LAW APPELLATE TRIBUNAL

The NCLAT upheld the NCLT's findings, affirming that the CIRP was initiated fraudulently and with mala fide intent, and emphasized that the existence of debt and default does not shield a Section 7 application from scrutiny under Section 65 where collusion or abuse is proven. It held that the high standard of proof required under Section 65 beyond reasonable doubt was met through documentary inconsistencies, corporate law violations, manipulation of timing, and corroborative findings of fraud in parallel proceedings. The Appellant's arguments, including claims of minor errors, existence of debt, and irrelevance of Companies Act violations, were rejected as inadequate, and their explanation of templated agreements among family members was not accepted. The Tribunal clarified that setting aside the CIRP was not a review or recall of the admission order but a fresh substantive adjudication on fraud, which Section 65 of the Code permits. Consequently, the appeal was dismissed as meritless, no order as to costs was made, and the show cause notice for penalty under Section 65 was upheld.

Conclusion

This decision is a landmark affirmation of the judiciary's vigilance against the strategic abuse of IBC, 2016. It reiterates that while Section 7 of the IBC, 2016, enables creditors to initiate CIRP based on financial debt and default, this mechanism is not immune to scrutiny. Where the initiation is tainted by fraud or mala fide intent, Section 65 empowers the Adjudicating Authority to annul the proceedings to uphold the Code's integrity.

NCDRC Clarifies “Consumer” Status In Real Estate Transactions: Key Takeaways From Mrs. Rajni Suryakant Gujar V. Shree Vinayaka Developers

Introduction

The National Consumer Disputes Redressal Commission (NCDRC) has reaffirmed critical boundaries around the definition of a “consumer” under the Consumer Protection Act, particularly in the context of real estate transactions undertaken for commercial purposes. The case Mrs. Rajni Suryakant Gujar v. Shree Vinayaka Developers (FA No. 89 of 2017) involved a dispute over a property transaction that ultimately turned into a legal contest about jurisdiction and consumer standing.

Background of the Case

The appellants, including Mr. Mukul Suryakant Gujar, acting under a power of attorney for Mrs. Rajni Suryakant Gujar, claimed to have paid Rs. 50 lakhs to Shree Vinayaka Developers towards the purchase of a 7,000 sq. ft. plot in Undri, Pune. The transaction was backed by a Memorandum of Understanding (MoU) executed in December 2010, and the appellants alleged that despite full payment, the developer failed to execute the sale deed. A consumer complaint was filed before the Maharashtra State Consumer Commission, which dismissed the matter on the ground that the appellants did not qualify as “consumers.” This led to the appeal before the NCDRC.

The Crux: Who Is a Consumer?

The NCDRC upheld the State Commission’s view and dismissed the appeal. In doing so, it reiterated the principle laid down in the landmark Supreme Court case Laxmi Engineering Works v. P.S.G. Industrial Institute, (1995) 3 SCC 583. The Commission observed that persons purchasing goods or services for commercial purposes do not fall within the definition of “consumer.”

Importantly, although the Consumer Protection Act, 1986 was the applicable law in this case (since the complaint was filed in 2013 and appeal in 2017), the same principle is preserved under the Consumer Protection Act, 2019, particularly in Section 2(7), which defines a consumer and continues to exclude persons availing goods or services for commercial purposes with limited exceptions.

In this case, the Commission found that the appellants were engaged in the business of real estate brokerage and land dealings, and the transaction formed part of their regular commercial activity. Hence, they were not “consumers” under either the 1986 or the 2019 law.

Transaction with Individual Partner

Another key aspect the Commission addressed was the role of Mr. Kumar Sriniwas Mandera, a partner in Shree Vinayaka Developers. The MoU was signed by him in his personal capacity, and the payment was made into his personal bank account. The NCDRC noted that Clause 16 of the partnership deed required all transactions to be conducted in the name of the firm. Therefore, the firm and the other partners were not liable for the actions of Mr. Mandera.
The Commission also noted that the appellants had acknowledged the fraud through correspondence and had even lodged an FIR in 2012, making it a matter better suited for adjudication in civil or criminal courts rather than before a consumer forum.

Complex Fraud Not for Consumer Fora

Citing Paramjeet Singh v. National Insurance Co. Ltd. (2019) and Chetan Arvind Mehta v. Inspector General of Police (2020), the Commission reiterated that disputes involving fraud, criminal breach of trust, or complex factual questions should be tried before appropriate courts and not in summary consumer proceedings. This principle is in line with the objectives of the 2019 Act, which despite expanding consumer rights retains the limitation that serious civil or criminal disputes must be tried before proper judicial forums.

Final Verdict

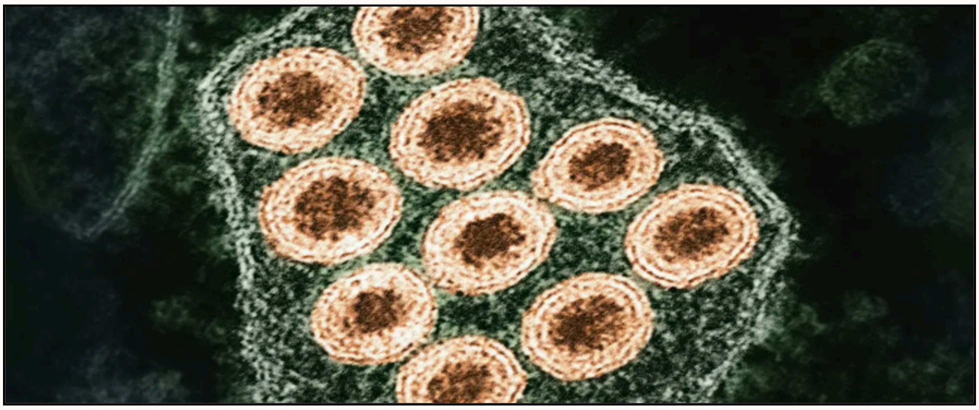
The NCDRC concluded that the appellants had knowingly entered into a personal transaction with a partner of the firm, disregarding the formal requirements of the partnership. Given the commercial nature of the transaction and the allegations of fraud, the complaint was rightly dismissed. The appeal stood dismissed, with liberty granted to the appellants to pursue appropriate remedies before a civil or criminal court.

Why This Matters

- Consumer Status Clarified: It reinforces that real estate agents, brokers, or investors involved in property dealings for profit cannot seek recourse under **consumer laws** under either the old or new Act.
- Firm Liability Limited: It draws a clear line between individual acts of a partner and the liability of the firm, provided proper clauses exist in the partnership deed.
- Jurisdictional Discipline: By pushing complex fraud cases out of the consumer forum, the judgment safeguards the summary nature of consumer proceedings and helps avoid jurisdictional overreach.

Conclusion

For those navigating real estate litigation or representing aggrieved parties in property disputes, this decision is a timely reminder to carefully evaluate the consumer status of the complainant and the capacity in which parties have contracted. As consumer forums become increasingly burdened, such rulings ensure that they remain focused on their intended purpose: protecting genuine consumers not commercial operators or investors.



Rabies Death Case: Consumer Forum Rejects Insurer's Restrictive Interpretation of 'Accident' in Policy Dispute

Introduction

The interpretation of insurance policy terms remains a recurring source of contention in consumer disputes. In a recent decision, the Uttarakhand State Consumer Disputes Redressal Commission examined IFFCO Tokio General Insurance Co. Ltd.'s denial of a personal accident insurance claim, reaffirming that insurers must base claim repudiations on clear and express policy provisions, not on vague or unsupported interpretations.

Background of the Case

In a decision dated 9 June 2025, the Uttarakhand State Consumer Disputes Redressal Commission, Dehradun, ruled in favour of the complainant, Smt. Meera Srivastava, in Meera Srivastava v. IFFCO-Tokio General Insurance Co. Ltd. & Anr. The case arose from the insurer's refusal to honour a claim under a Personal Accident Insurance Policy issued to her late husband. The Commission found that the insurer's reasoning lacked legal merit and amounted to a deficiency in service under the Consumer Protection Act.

Factual Context

Mr. Shailesh Kumar Srivastava, the husband of the complainant, had obtained a personal loan of ₹2 lakhs from Almora Urban Co-operative Bank Ltd. As part of the loan arrangement, he was required to take accident insurance coverage. Under this requirement, a Personal Accident Policy was issued by IFFCO Tokio General Insurance Co. Ltd., covering the period from 15 July 2010 to 14 July 2011.

On 15 June 2011, during the currency of the policy, Mr. Srivastava unfortunately passed away due to complications resulting from rabies. Following his demise, Smt. Meera Srivastava, who had been named as the nominee under the policy, submitted a claim for the insured amount. However, the insurer repudiated the claim, raising grounds that were subsequently challenged before the consumer forum.

Basis for Claim Repudiation

By letter dated 4 January 2012, IFFCO Tokio rejected the claim, asserting that:

- The cause of death 'rabies' did not fall within the definition of "accidental bodily injury" as provided under the policy.
- The policy was limited to injuries caused by "external, violent, and visible cause," and therefore did not extend to infections or illnesses such as rabies.

According to the insurer, the policy was intended to cover events such as road traffic accidents, burns, poisoning, and similar categories of externally inflicted harm, not infectious diseases.

Findings of the State Commission

The Commission, comprising Ms. Kumkum Rani and Mr. C.M. Singh, rejected the insurer's contentions and made the following observations:

- **Absence of Express Exclusion for Rabies**

The Commission noted that IFFCO Tokio had failed to point to any specific clause in the policy that excluded rabies or related infections from coverage. The general exclusions section, typically the insurer's first line of defence in such disputes, did not contain any reference to deaths arising from viral infections or animal bites. In the absence of such an express exclusion, the Commission held that the claim could not be denied on vague or inferred grounds.

- **Meaning of "Injury" Under the Policy**

The policy defined "injury" as an accidental bodily injury caused solely and directly by external, violent, and visible means, as per policy wording. The Commission took the view that if the rabies infection had resulted from a dog bite or similar external incident, it would fall squarely within this definition. The policy language did not support a restrictive interpretation that would exclude such events.

The Commission's reasoning aligns with precedents wherein the Judiciary on various occasions have held that deaths due to animal or insect bites may constitute accidental deaths. In Oriental Insurance Co. Ltd. v. Premlata Shukla, (2007) 13 SCC 476, the Supreme Court held that death due to a snakebite qualifies as an accident under a personal accident policy. This judicial approach supports a broader and more purposive interpretation of 'accident' under such insurance contracts

- **General Exclusions Not Applicable**

An examination of the general exclusions confirmed that they pertained to events such as war, nuclear risks, and other highly specific scenarios. None of these could reasonably be extended to cover or exclude death by rabies. The insurer's reliance on these general provisions was therefore misplaced.

- **Application of Contra Proferentem**

The Commission invoked the settled legal principle of "contra proferentem", which holds that any ambiguity in the wording of an insurance contract or the policy terms must be interpreted in favour of the policyholder. Where the terms of the policy were silent or unclear, the benefit of interpretation would lie with the insured, not the drafter of the policy.

- **Deficiency in Service**

Ultimately, the Commission held that the insurer's decision to repudiate the claim lacked justification under the contract and amounted to a deficiency in service under Section 2(1)(g) of the Consumer Protection Act, 2019. Denying a claim without a clear and lawful basis, particularly in the context of a personal accident policy, could not be sustained. As a result, the complainant was found entitled to the policy amount, compensation for mental anguish, and litigation costs.

Relief Granted

The Commission directed IFFCO Tokio to compensate the complainant with the following:

- ₹2,00,000 as the sum assured under the personal accident policy
- ₹45,000 as compensation for mental agony and financial hardship
- ₹5,000 towards litigation costs

The payment was to be made within one month of the order. In case of delay, simple interest at the rate of 7% per annum would apply until the date of actual payment.

Legal Significance

This decision highlights the importance of clarity and consistency in how insurers should handle claim repudiations. The Commission made it clear that exclusions must be expressly stated in the policy document; insurers cannot rely on vague language or internal interpretations to avoid liability.

It also makes clear that insurance contracts should be interpreted in good faith and in a way that protects the reasonable expectations of policyholders and their nominees. Where all policy conditions have been met and no clear exclusion applies, the claim must be honored.

The ruling sends a strong message that unjustified repudiations, particularly in cases involving personal loss or death, will not be upheld by consumer forums.

Conclusion

The decision in Meera Srivastava v. IFFCO Tokio General Insurance Co. Ltd. & Anr. serves as a clear reminder that insurance companies must be held to the commitments outlined in their policy terms. In matters involving personal loss or death, there is little room for vague wording or inconsistent interpretations. This ruling makes it clear that insurers are expected to treat policyholders fairly and transparently, and that consumer forums will step in when those expectations are not met.

Consumer Rights Vs. Corporate Responsibility: A Legal Perspective

Introduction

The District Consumer Disputes Redressal Commission, Mumbai Suburban has recently addressed a consumer complaint under Section 35(1)(a) of the Consumer Protection Act, 2019. The case, Gargi Prakash Joshi & Another v. Wow Momos Foods Pvt. Ltd., centered on allegations of deficiency in service and emotional distress caused by serving non-vegetarian food instead of vegetarian, raising pertinent issues about consumer rights evidentiary standards, and corporate responsibility in India.

Background of the Case

On December 19, 2020, the complainants ordered a "Steam Darjeeling Momo Combo," specifically requesting vegetarian momos at a Wow Momos outlet in Mumbai. Despite stating their preference, they were allegedly served non-vegetarian chicken momos. They argued that this alleged negligence caused mental trauma and hurt their religious sentiments. After a failed attempt at resolution with the company and a subsequent legal notice, the complainants demanded Rs. 6,00,000 as compensation for deficiency in service, emotional distress, and hurt sentiments.

Legal Provisions

The case was filed under the Consumer Protection Act, 2019, with a focus on Section 35(1)(a), which empowers consumers to raise complaints regarding unfair trade practices or deficiencies in service. The Act reinforces the broader framework of consumer rights, highlighting essential protections such as the right to safety, informed choice, and freedom from unfair practices, thereby ensuring a balanced and fair approach to addressing consumer grievances.

Rival Contentions
Complainants' Argument
The complainants alleged negligence on the part of the opposite party in serving non-vegetarian food despite explicit requests for vegetarian items. They claimed that this error caused emotional distress and violated their religious sentiments due to the consumption of non-vegetarian food. They also highlighted a lack of clear labelling on the display board, which they

argued led to the confusion and demanded Rs. 6,00,000 in damages and other appropriate reliefs.

Opposite Parties' Defense

The opposite party denied all allegations, stating that the complainants ordered non-vegetarian food, as evidenced by the invoice. They claimed that the staff involved were physically abused by the complainants and highlighted the availability of clear labelling on food options and a complaint mechanism, which the complainants allegedly ignored. Further, they argued that the complainants do not qualify as "consumers" under the Act, asserting that a refund had been processed and thus no deficiency remained, and noted that their goodwill compensation offer was rejected.

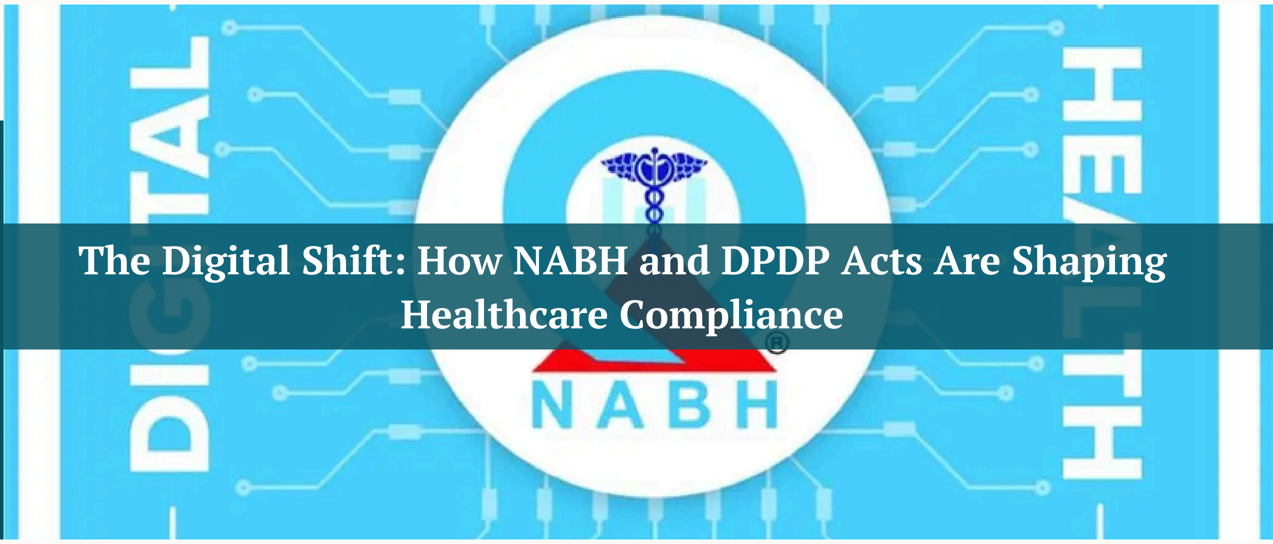
Final Decision

The Commission dismissed the complaint, citing insufficient evidence to prove that the complainants ordered vegetarian momos or consumed non-vegetarian items against their intent. It observed that the labelling on the display board did provide some clarity about food types and noted contradictions in the complainants' claims including their choice to dine at a restaurant that primarily serves non-vegetarian food despite asserting strict vegetarian beliefs. .

Conclusion

In the author's opinion, this judgment highlights the essential principles of evidence and consumer protection law. The dismissal of the complaint reinforces the necessity for complainants to substantiate their claims with convincing proof to establish deficiencies in service. By scrutinising the allegations and the defense critically, the court upheld the principle that consumer rights must be balanced with fairness to service providers. The case emphasises the importance of precision in claims and responsible consumer behaviour, reaffirming the judiciary's role in ensuring justice without prejudice. This decision serves as a valuable example for handling consumer grievances judiciously.

ARTICLES



The Digital Shift: How NABH and DPDP Acts Are Shaping Healthcare Compliance

Introduction

Digital transformation is a necessity in today's healthcare landscape, requiring compliance with rigorous standards like those from the National Accreditation Board for Hospitals & Healthcare Providers (NABH). These guidelines prioritise patient safety, data security, and quality care, making compliance crucial for healthcare providers. Aligning with NABH standards and emerging laws ensures hospitals avoid penalties while enhancing operational efficiency and delivering patient-focused care. Embracing these changes is vital for staying competitive and maintaining trust in a rapidly evolving industry. Let's explore why this alignment matters and what steps should be taken to stay ahead.

Why It Matters?

The transition from paper-based systems to digital health solutions is revolutionising patient care through streamlined operations, improved outcomes, and enhanced data security. However, it also presents challenges in adhering to evolving legal and accreditation standards. Hospitals, which manage large volumes of sensitive patient data, must comply with the DPDP Act, 2023, and meet NABH guidelines where accreditation is sought, to ensure compliance and maintain their responsibilities. Modern healthcare standards now require that hospitals establish secure information ecosystems that extend beyond basic recordkeeping. Compliance frameworks increasingly mandate digital systems to maintain traceable audit trails, role-based access to patient data, encrypted communications, and structured protocols for how, when, and by whom patient information can be accessed or disclosed. These expectations are no longer optional features but central pillars of accreditation and legal adherence.

Understanding the DPDP Act, 2023

The Digital Personal Data Protection (DPDP) Act, 2023, introduces transformative rules for handling patient data, focusing on secure processing and individual rights. It covers both digitally created data, such as entries in Electronic Health Records (EHR) systems, and scanned data converted from physical records, requiring the same high standards of security and privacy. Hospitals must implement robust measures to prevent data breaches and unauthorised access while obtaining explicit patient consent for lawful use. Patients are also entitled to access and correct their data, ensuring transparency. Non-compliance could result in hefty penalties of up to ₹250 crore, making adherence essential.

In line with this, hospitals are now expected to ensure that patient data is accessed or shared only with the patient's explicit consent or under specific legal authority. All such requests, whether made by patients, clinicians, or government agencies, must follow uniform and transparent processes, supported by digital systems that track disclosures, record timestamps, and ensure accountability. This not only reinforces privacy rights but also strengthens institutional safeguards against misuse or error.

Setting the Benchmark: Navigating NABH's Digital Health Standards

The NABH has established specific guidelines to ensure that hospitals adopt robust digital health practices. Here's what hospitals need to do:

A. Centralised and Secured EHR Systems

Hospitals must implement EHR systems that consolidate patient data into a secure, unified platform, integrating medical history, diagnostics, and treatment plans. These systems enhance communication and care continuity while incorporating data security measures like encryption and multi-factor authentication.

In addition to unifying records, these systems must be capable of generating time-stamped entries, locking historical data, and maintaining comprehensive access logs. Real-time monitoring of data modifications and role-restricted user access are key features now expected of any compliant healthcare information system. Moreover, hospitals must have a documented protocol for data backup, recovery, and downtime handling to ensure patient safety and legal continuity even during system failures.

B. Accessibility of Patient Data

Ensuring patient data security while maintaining seamless access for authorised users is vital for effective care. Role-Based Access Control (RBAC) minimises unauthorised access, while user-friendly EHR interfaces enable quick, efficient data retrieval during critical situations.

To meet compliance expectations, hospitals must ensure that only designated personnel can access specific types of data, with built-in mechanisms to record who accessed what, when, and why. Systems must be equipped to generate these reports for audits or dispute resolution, and any inappropriate access must be traceable and subject to disciplinary or legal review.

C. Control of Sensitive Reports

NABH mandates strict protocols for handling sensitive reports like Medical Termination of Pregnancy (MTP) and medico-legal cases, emphasising encrypted storage, audit trails, and secure dissemination policies.

Hospitals are required to establish secure digital storage for such sensitive information, ensuring limited access and clear accountability. Disclosure procedures must include patient authorisation, legal documentation where required, and complete tracking of every transfer or view. This reduces the risk of reputational damage or liability arising from the mishandling of confidential data.

Action Plan for Hospitals

Adopting digital health practices while ensuring compliance can be streamlined with these steps:

- Implement EHR Systems: Deploy NABH-compliant EHR systems with robust security, scalability, and regular updates to meet operational and regulatory demands.
- Secure Records: Use encryption and Role-Based Access Control (RBAC) to protect patient data, along with secure backups for recovery.
- Legal Collaboration: Work with legal teams to ensure digital records are admissible and policies align with the DPDP Act, 2023.
- Staff Training: Train staff regularly on EHR use, secure data handling, and compliance requirements.
- Regular Audits: Conduct periodic audits to identify vulnerabilities, document findings, and implement corrective actions promptly.

Are Scanned Documents Legally Valid?

Under the Bharatiya Sakshya Adhiniyam (BSA), 2023, scanned or digitally created records are valid evidence in legal proceedings only if they meet specific conditions, such as being generated during regular operations and accompanied by certificates of authenticity. Hospitals must detail methods and locations of record creation and use reliable systems with operational logs to ensure credibility. Compliance requires certified systems for data storage, systematic logs, and collaboration with legal teams for authenticity certificates. These measures ensure legal admissibility and strengthen the integrity of hospitals' digital documentation.

Benefits of Compliance

Hospitals adopting digital health compliance benefit from improved patient care, efficient workflows, and streamlined processes. Centralised data systems enhance decision-making and coordination, reducing administrative tasks. Compliance with the DPDP Act, 2023, and NABH standards boosts credibility, minimises legal risks, and ensures regulatory alignment. Robust data security measures protect sensitive patient information, fostering trust and confidence. These advancements establish a foundation for modern, reliable healthcare while transforming operations and patient outcomes. Compliance also promotes institutional resilience by embedding safeguards against data breaches and liability from improper access or incomplete records. When implemented holistically, these frameworks turn data management from a legal risk into a strategic advantage.

Conclusion

As India's healthcare system embraces digital transformation, compliance with standards like NABH and laws such as the DPDP Act and BSA is no longer optional; it is essential for sustainable growth. Hospitals that proactively adapt to these requirements not only avoid hefty penalties but also enhance operational efficiency, strengthen data security, and build patient trust. By aligning with these standards, hospitals position themselves as leaders in delivering secure, efficient, and patient-centric care, ensuring they remain competitive and credible in an evolving healthcare landscape.

Radio Telephone Operator (Restricted) Certificate and Licence Rules, 2025: A Comprehensive Overview

The aviation industry is highly regulated to ensure safety and efficiency. One such set of regulations is the “Radio Telephone Operator (Restricted) Certificate and Licence Rules, 2025,” which governs the operation of radio-telephone services in aviation. These rules are designed to ensure that only qualified and authorized individuals operate critical communication equipment, thereby maintaining the integrity and safety of air traffic management.

The rules define key terms to provide clarity and consistency. The “Act” refers to the Bharatiya Vayuyan Adhiniyam, 2024, which is the overarching legislation for civil aviation in India. The “Certificate and Licence” pertain specifically to the Radio Telephone Operator (Restricted) Certificate and Licence, which are essential for operating radio-telephone services. The “Director General” is the Director General of Civil Aviation, who oversees the implementation and enforcement of these rules. The “Radio Regulations” are based on international standards set by the World Radiocommunication Conference, ensuring global compatibility and safety.

To operate radio-telephone apparatus in aviation, individuals must hold a valid Certificate and Licence. This requirement ensures that operators are trained and qualified to handle the critical communication systems used in aircraft stations and earth stations. The Central Government is the Licensing Authority responsible for granting or extending these Certificates and Licences, ensuring that all operators meet the necessary standards.

Eligibility for the examination to obtain the Certificate and Licence is restricted to applicants who are at least sixteen years old and have passed Class X or its equivalent from a recognized board. Re-examination is not permitted within six weeks of the initial attempt, and non-Indian citizens must obtain security clearance from the Government of India. These eligibility criteria ensure that only qualified and vetted individuals can operate radio-telephone services.

The application process for the examination is straightforward but must be completed in the form and manner specified by the Director General. The examination itself consists of a written test and a practical test. The written examination covers regulations, radio principles, and radio telephony, while the practical examination involves a simulated environment test. Certain qualified individuals, such as pilots from the Indian Air Force or holders of equivalent international licences, may be exempt from the written examination.

Fees for the examination and issuance of the Certificate and Licence are clearly defined. The written examination fee is Rupees two thousand, while the practical examination fee is Rupees five hundred. The issuance fee for the Certificate and Licence is Rupees five thousand, and a duplicate Certificate and Licence costs Rupees five hundred. These fees ensure that the process is financially accountable and that resources are available for the administration and enforcement of the rules.

To obtain a Certificate and Licence, applicants must meet specific requirements. They must be at least sixteen years old, have passed Class X or its equivalent, and have successfully completed the examinations as outlined in Rule 8. These requirements ensure that only qualified individuals are granted the authority to operate radio-telephone services.

The validity of the Certificate and Licence extends until the holder reaches eighty years of age, with the possibility of extension beyond eighty if the holder meets the Director General's specified requirements. Existing Certificates and Licences granted under previous rules remain valid until their expiry, ensuring continuity and stability in the industry.

Holders of the Certificate and Licence have the authority to operate mobile stations under specified conditions. These conditions include limitations on transmitter power and frequency stability, ensuring that operations are safe and compliant with international standards.

Certificate and Licence holders must produce their documents upon demand for inspection by authorized officers. This requirement ensures that operators are accountable and that their qualifications are verified when necessary.

In cases where a Certificate and Licence is lost, mutilated, or destroyed, the holder must inform the Director General. Applications for duplicates or variations must be made in the specified form and manner, ensuring that the process is documented and regulated.

Disqualification from holding or obtaining a Certificate and Licence may occur for reasons such as suppression of information, impersonation, or tampering with documents. The Central Government may also permanently or temporarily debar individuals in the public interest, ensuring that only trustworthy and qualified individuals operate radio-telephone services.

Cancellation or suspension of a Certificate and Licence may be warranted for contravening rules, using unfair means during exams, or fraudulent use. The Central Government may take such actions in the public interest, ensuring that the integrity of the system is maintained.

Appeals against decisions made under these rules can be made to the First or Second Appellate Officer. Appeals must be accompanied by supporting documents and a fee of Rupees one thousand, ensuring that the process is fair and transparent.

The Director General may issue special directions, known as Civil Aviation Requirements, related to the examination, grant, and operation of radio-telephone services. These directions may be exempted under certain conditions, ensuring flexibility and adaptability in the regulatory framework.

Offences under these rules may be compounded with a fine up to one lakh rupees. Applications for compounding must be made in the specified form with supporting documents and a fee, ensuring that the process is structured and accountable.

Finally, existing Certificates and Licences granted under previous rules remain valid until their expiry or until further notice by the Central Government. This provision ensures continuity and stability in the industry while allowing for the transition to new regulations.

In conclusion, the “Radio Telephone Operator (Restricted) Certificate and Licence Rules, 2025” provide a comprehensive and structured framework for the operation of radio-telephone services in aviation. These rules ensure that only qualified and authorized individuals operate critical communication equipment, thereby maintaining the integrity and safety of air traffic management. By defining clear eligibility criteria, examination processes, fees, and operational scopes, these rules contribute to the overall efficiency and reliability of the aviation industry.

Delhi RERA 2025 Directions: A New Era of Compliance and Transparency

Introduction

In a significant push to strengthen compliance in the real estate sector, the Delhi Real Estate Regulatory Authority (Delhi RERA) has rolled out a set of binding directions targeting promoters and agents operating within the National Capital Territory. Recently brought into effect under Section 37 of the Real Estate (Regulation and Development) Act, 2016, these directions aim to close long-standing regulatory gaps around disclosure, financial discipline, and accountability.

Rather than functioning as routine clarifications, the directions mark a shift toward active regulatory enforcement. They are designed to address widespread non-compliance ranging from outdated project statuses to opaque financial reporting and are likely to shape the compliance landscape in the months ahead.

Key Highlights of the Directions

1. Quarterly Disclosure Mandate: Perhaps the most significant direction is the mandatory quarterly update requirement. Promoters of registered projects must now upload quarterly progress reports on the Authority's portal covering physical construction status, sales data, and updated approvals.
Why it matters: This aligns with the core objectives of the RERA Act providing homebuyers real-time, reliable access to project information. For promoters, this translates into a non-negotiable operational obligation.

2. Correction of Project Status: Projects that are completed or no longer active, but still reflected as "ongoing" on the Delhi RERA portal, must be immediately updated. Promoters are directed to upload Completion Certificates or seek formal closure of the project on the record.
Why it matters: Inaccurate status disclosures can mislead prospective buyers, distort market signals, and trigger litigation. This move may also clean up the public project registry, which has seen inconsistencies.

3. Project-Specific Bank Account Disclosures: Promoters must disclose the bank account(s) maintained under Section 4(2)(l)(D) of the Act where 70% of funds collected from allottees are to be deposited for construction and land cost.
Why it matters: Financial discipline is one of the pillars of the RERA framework. Misuse or non-reporting of escrow accounts is a known issue, and this directive signals stricter scrutiny ahead.

4. Renewal & Conduct of Real Estate Agents: Real estate agents are reminded to ensure their registration is current and renewed, and to conduct their dealings strictly in line with projects that are duly registered and updated under RERA.
Why it matters: Agents play a critical intermediary role and are often the first point of contact for buyers. Delhi RERA is clearly pushing for better accountability and discipline in this segment.

5. Penal Consequences for Non-Compliance: The Directions specifically invoke Section 61, warning that failure to comply may attract financial penalties, cancellation of registration, or blacklisting.
Why it matters: This is not a guideline, it is a regulatory instruction backed by statute. Promoters and agents would do well to treat it as such.

Author's View: A Timely and Necessary Intervention

In my view, these directions are not just a formality they reflect the Delhi RERA's growing assertiveness and intent to actively monitor and enforce compliance. The fact that they had to issue such a direction indicates persistent lapses in basic regulatory duties by several developers — including failure to update status, upload quarterly progress, or maintain proper banking protocols.

Importantly, this is also a signal to homebuyers that their rights to information, accountability, and project certainty are being taken seriously and to developers that regulatory fatigue will no longer be an excuse.

From a legal and business advisory standpoint, this presents a crucial opportunity:

- Developers should immediately audit their project listings and compliance history.
- Real estate agents must review their documentation practices and ensure alignment with updated project statuses.
- For counsel and consultants, this is the right time to offer compliance audits, regulatory representation, and documentation support.

Conclusion

The Delhi RERA Directions, 2025 are a compliance wake-up call. They mark a shift from passive registration to active regulatory monitoring, where disclosures are no longer optional formalities but part of the governance fabric. In a city where stalled projects and delayed possession have been bitter realities, this move if implemented seriously could help rebuild buyer trust and weed out bad actors from the system. The ball is now firmly in the promoters' and agents' court.

Pharmacy Council of India (Manner of Holding Inquiry and Imposition of Penalty) Regulations, 2025 Notified

On June 10, 2025, the Pharmacy Council of India (PCI) notified the "Pharmacy Council of India (Manner of Holding Inquiry and Imposition of Penalty) Regulations, 2025." These regulations, effective from the date of publication in the Gazette, aim to streamline the process of conducting inquiries and imposing penalties under the Pharmacy Act, 1948. This initiative is a significant step towards enhancing regulatory oversight and ensuring compliance within the pharmacy sector.

Key Terms Defined

The regulations define key terms to ensure clarity and uniformity. The "Act" refers to the Pharmacy Act, 1948, while the "adjudicating officer" is an officer authorized under Section 43A of the Act. An "appellant" is a person aggrieved by an order of the adjudicating officer who files an appeal, and the "appellate authority" is the President of the Central Council. These definitions form the foundation for understanding the procedural aspects outlined in the regulations.

Filing Complaints

Complaints regarding any contravention of the Act can be filed by any person through electronic means, speed post, or in person using Form-I. This provision ensures that grievances can be raised conveniently and efficiently, promoting active participation from stakeholders in the pharmacy sector.

Conducting Inquiries

The process of conducting inquiries is meticulously detailed. Upon receiving a complaint, the adjudicating officer issues a notice (Form-II) to the person against whom the complaint is filed, requiring them to show cause within a specified period (not less than seven days) why an inquiry should not be held. The notice specifies the nature of the alleged contravention. After considering the response, if any, the adjudicating officer decides whether to proceed with the inquiry. If an inquiry is to be held, the officer issues a notice requiring the person to appear personally or through a representative on a specified date. On the specified date, the officer explains the alleged contravention and gives the person an opportunity to present documents or evidence

(Form-III). The officer may also require and enforce the attendance of any person acquainted with the case to give evidence or produce documents. If the person fails to appear, the officer may proceed with the inquiry in their absence after recording the reasons. If the officer is satisfied that a contravention has occurred, they may impose a penalty by a written order, specifying the reasons and the provision of the Act contravened.

Appeal Process

The regulations also provide a detailed appeal process. Any person aggrieved by an order of the adjudicating officer can file an appeal to the appellate authority using Form-IV within 45 days of receiving the order. The appeal may be admitted after this period if the appellant shows sufficient cause for the delay. The appeal must be accompanied by a copy of the adjudicating officer's order and a clear statement of the facts, grounds for appeal, and relevant sections of the Act. The appeal must be filed in triplicate by the appellant or their authorized representative through electronic means, registered post, or speed post. The appellate authority serves a copy of the appeal on the respondent, who may file a reply within 30 days of service. The appellate authority may call for records and pass orders after hearing the parties. The appellate authority must dispose of the appeal within 90 days of filing.

Orders and Penalties

Orders and penalties are also regulated. Every order made under these regulations must be dated, signed, and communicated to all parties. Penalties realized under these regulations are credited to the respective state pharmacy council's account. These provisions ensure that the process is transparent and that penalties are managed appropriately.

Issuing Authority and Legal Basis

The regulations were issued by the Pharmacy Council of India under the powers conferred by Section 18(1) and Section 18(2)(i) of the Pharmacy Act, 1948, with the approval of the Central Government. This notification was published in the Gazette of India, Extraordinary, Part III—Section 4, on June 10, 2025. The issuance of these regulations marks a significant step towards enhancing regulatory oversight and ensuring compliance in the pharmacy sector.

Conclusion

The new regulations by the Pharmacy Council of India provide a comprehensive framework for conducting inquiries and imposing penalties, ensuring that the pharmacy sector operates within the bounds of the law. These measures are expected to promote accountability and transparency, ultimately benefiting patients and healthcare providers alike.

NCDEX Discontinues Nest Portal: Investor Grievances To Be Addressed Via SEBI's Smart ODR

Introduction

The National Commodity & Derivatives Exchange Limited (NCDEX) has officially discontinued its web-based grievance redressal portal, NEST Portal(NCDEX Electronic System for Tracking grievances). This decision aligns with the broader framework established by the Securities and Exchange Board of India (SEBI) through its Online Dispute Resolution (ODR) mechanism. The change, formalized through NCDEX Circular No. NCDEX/INVESTOR SERVICES-003/2025 dated June 11, 2025, marks a crucial shift in how investor complaints and disputes are addressed in the commodities market.

Background: What Was NEST?

The NEST platform was introduced by NCDEX in January 2023 (via Circular No. NCDEX/INVESTOR SERVICES-001/2023) as a centralized system for investors and trading members to file:

- Complaints
- Arbitration applications
- Appellate arbitration requests

NEST Portal was designed to enhance transparency, traceability, and efficiency in handling investor grievances. It allowed real-time tracking of complaint statuses and facilitated a paperless dispute resolution process directly through the Exchange's ecosystem.

Regulatory Shift: Emergence of SEBI's ODR Framework
While NEST Portal was a step forward, it functioned independently of SEBI's broader regulatory infrastructure. In line with the SEBI Master Circular for Stock Exchanges and Clearing Corporations and the push for centralized grievance redressal, SEBI launched its SMART ODR platform (Online Dispute Resolution system) under the provisions of the SEBI (Alternative Dispute Resolution Mechanism) (ADR) framework.

The SMART ODR platform is aimed at:

- Unifying complaint redressal across all exchanges and intermediaries
- Reducing timelines for dispute resolution
- Promoting mediation and arbitration in an online environment

With this new mechanism stabilized and operational across sectors, NCDEX has phased out its legacy system (NEST) to avoid duplication and ensure consistency with SEBI's centralized strategy.

What Changes for Investors and Market Participants?

As per the June 2025 circular, investors and members can no longer lodge new complaints on the NEST portal. Instead, the following updated mechanisms are now in place:

- 1. SMART ODR Portal – **https://smartodr.in/login**
- SEBI's unified ODR platform for filing complaints and initiating online arbitration/mediation.
- 2. SCORES Portal (SEBI Complaints Redress System) – **https://scores.sebi.gov.in**
- For submitting investor grievances directly to SEBI against listed entities or registered intermediaries.
- 3. NCDEX Website Complaint Registration
- Investors may use the NCDEX portal via: [**https://ncdex.com** >> Investor Service >> Investor Grievance >> Online Complaint Registration]
- 4. Email Submission
- Complaints can be emailed to the nearest Investor Service Center designated by NCDEX.
- 5. Physical Submission
- Hard copy complaints can still be sent to any of the NCDEX Investor Service Centers.

Impact and Significance

This move is more than just a technological upgrade as it reflects NCDEX's compliance with SEBI's evolving regulatory ecosystem and the shift toward digital-first, efficient, and uniform dispute resolution systems across financial and commodity markets.

For investors, this ensures:

- Faster complaint processing through a SEBI-regulated platform
- Integration into national-level mediation and arbitration systems
- Greater transparency and standardization

For trading members and intermediaries, the shift underscores the need to update internal compliance practices and client support systems in line with the new requirements.

Conclusion

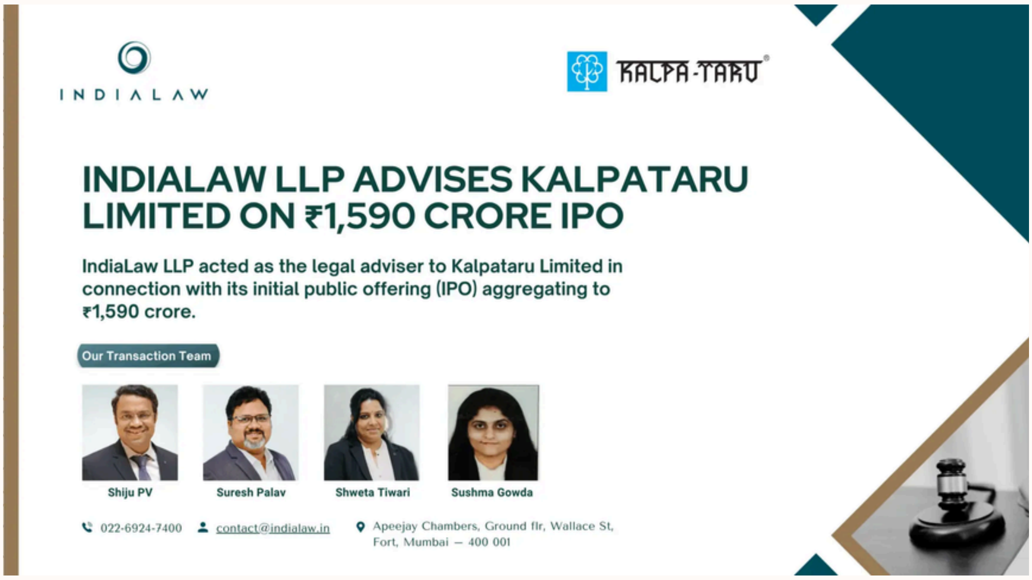
The discontinuation of the NEST portal marks a clear shift in NCDEX's approach to investor grievance redressal, in line with SEBI's broader move toward centralized, tech-driven dispute resolution. By adopting the SMART ODR system, NCDEX aims to streamline the complaint process, reduce duplication, and ensure a consistent experience for investors across all market segments.

For investors and members, the key takeaway is simple: going forward, grievances must be routed through the SEBI-approved channels, with SMART ODR and SCORES serving as the primary interfaces. It's essential that all stakeholders update their internal processes and client communication strategies to reflect this transition.

For any clarification, investors are encouraged to use the contact channels provided by NCDEX or reach out to their registered intermediaries.

INDIALAW IN NEWS

Indialaw LLP Advises Kalpataru Limited on INR 1,590 Crores IPO



We are delighted to announce that Indialaw LLP has advised Kalpataru Limited in the filing of the Draft Red Herring Prospectus (DRHP) for its Initial Public Offering (IPO). The company aims to raise up to INR 1,590 Crores through a fresh issue of equity shares.

The equity shares of Kalpataru Limited are proposed to be listed on both BSE Limited and NSE Limited.

This transaction marks another significant milestone in our capital markets practice.

Our Transaction Team:
- Shiju PV – Managing Partner
- Suresh Palav – Partner
- Shweta Tiwari – Associate Partner
- Sushma Gowda – Associate

We are proud to be part of Kalpataru Limited’s growth journey and thank them for placing their trust in us.

INDIALAW IN NEWS

Nominee vs Legal Heir: Who gets insurance money after death?

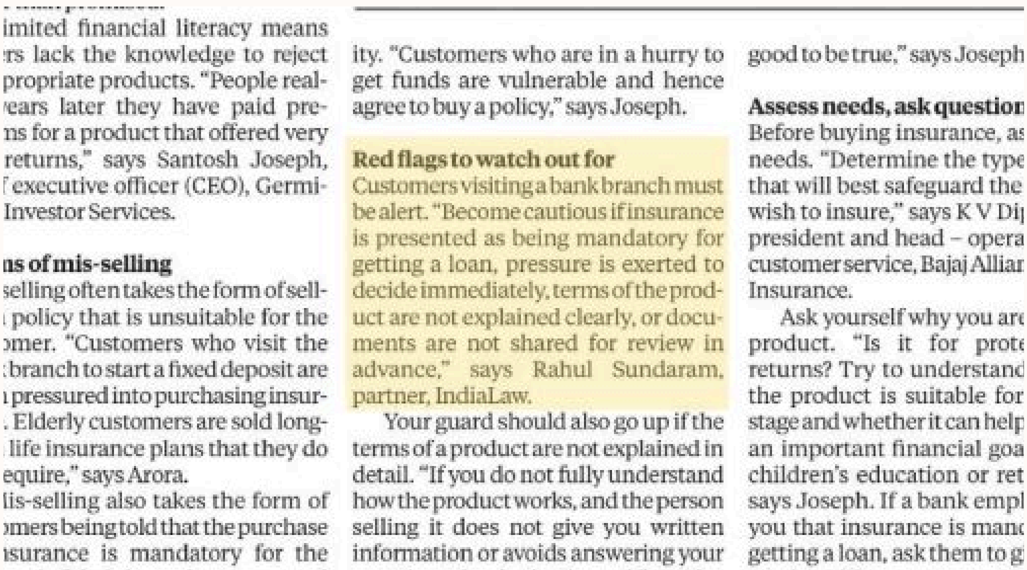
In a recent Video published by Simple Hai! titled "Nominee vs Legal Heir: Who gets insurance money after death? Here's what Indian law says", Our Partner **Rahul Sundaram** shares his expert insights.

In this interview Rahul Sundaram, Partner India Law speaks to Simple Hai! on life insurance policy, succession of a will, and how should one plan to write a will. From whether only the rich need to write a will to what happens to a will when people are under life threatening conditions, this interview answers it all! Based on real cases and expert legal insights, understand how to secure your family's future the right way and avoid common mistakes with nomination and succession.

Watch the complete video here: https://www.youtube.com/watch?v=IE3axVK11Uc

INDIALAW IN NEWS

Keep your Guard up at the Bank Branch; Resist Pressure to Buy Immediately



imited financial literacy means rs lack the knowledge to reject propriate products. "People real- years later they have paid pre- ns for a product that offered very returns," says Santosh Joseph, f executive officer (CEO), Germi- Investor Services.

ns of mis-selling

selling often takes the form of sell- policy that is unsuitable for the omer. "Customers who visit the branch to start a fixed deposit are pressured into purchasing insur- . Elderly customers are sold long- life insurance plans that they do equire," says Arora.

lis-selling also takes the form of omers being told that the purchase nsurance is mandatory for the

ity. "Customers who are in a hurry to get funds are vulnerable and hence agree to buy a policy," says Joseph.

Red flags to watch out for

Customers visiting a bank branch must be alert. "Become cautious if insurance is presented as being mandatory for getting a loan, pressure is exerted to decide immediately, terms of the product are not explained clearly, or documents are not shared for review in advance," says Rahul Sundaram, partner, IndiaLaw.

Your guard should also go up if the terms of a product are not explained in detail. "If you do not fully understand how the product works, and the person selling it does not give you written information or avoids answering your

good to be true," says Joseph

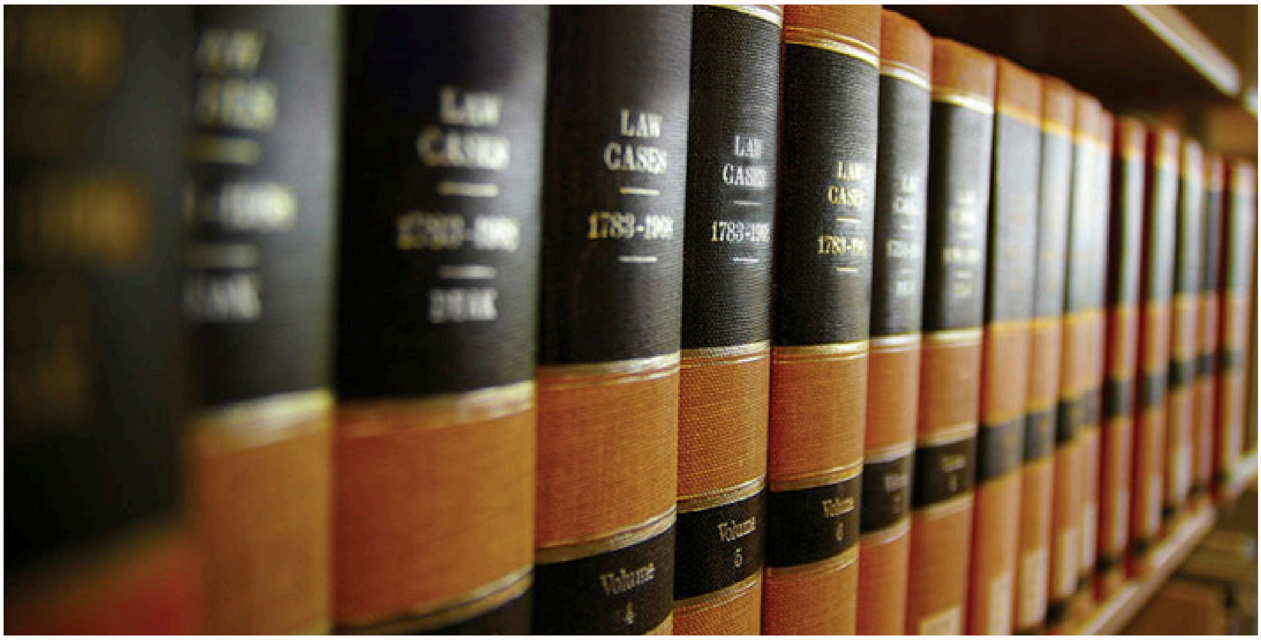
Assess needs, ask question

Before buying insurance, as needs. "Determine the type that will best safeguard the wish to insure," says K V Di president and head – opera customer service, Bajaj Allian Insurance.

Ask yourself why you are product. "Is it for prote returns? Try to understand the product is suitable for stage and whether it can help an important financial goa children's education or ret says Joseph. If a bank empl you that insurance is manc getting a loan, ask them to g

In a recent article published by Business Standard titled "Keep your guard up at the bank branch; resist pressure to buy immediately", Our Partner Rahul Sundaram shares his expert insights.

Rahul explained the red flags to watch out for Customers visiting a bank branch must be alert. "Become cautious if insurance is presented as being mandatory for getting a loan, pressure is exerted to decide immediately, terms of the product are not explained clearly, or documents are not shared for review in advance."



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