



# Monthly Newsletter

## Legal Insights for the Real Estate Sector

Dear Readers,

Welcome to the May 2025 edition of CREDAI's National Legal Newsletter. In this issue, we provide an in-depth analysis of recent Supreme Court rulings that are significantly impacting the legal and regulatory framework, particularly in the real estate and allied sectors. Key developments under the Civil Procedure Code, Contract Act, Central Goods and Services Tax Act, and more are discussed in detail. Among the notable trends, the Court has emphasized a judicial push for efficiency, advocating for more concise pleadings, reinforced the importance of honoring exclusive jurisdiction clauses in contracts, and imposed stricter reporting obligations for high-value cash transactions. This month's highlight is the Supreme Court's firm stance on the mandatory reporting of cash transactions exceeding Rs. 2 lakh by courts and sub-registrars under the Income Tax Act, marking a major step toward enhancing financial transparency. Additionally, courts have provided important clarifications on the GST implications of development agreements, ruling that not all revenue-sharing or FSI usage arrangements qualify as taxable "supply," and reaffirmed that notices uploaded on the GST portal constitute valid service. Furthermore, the Court has stressed the need to curb AI-generated, verbose pleadings to protect judicial efficiency. These judgments are setting crucial benchmarks for industry practices, compliance, and governance as the legal environment evolves.

— CREDAI Legal Committee

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**ARBITRATION AND CONCILIATION ACT, 1996 AND INSOLVENCY AND BANKRUPTCY CODE, 2016****ELECTROSTEEL STEEL LIMITED  
Vs.  
ISPAT CARRIER PRIVATE  
LIMITED****Court:** Supreme Court of India**Date:** 21 April 2025**Bench:** Justice Abhay Shreeniwas Oka and Justice Ujjal Bhuyan**Issue:**

Whether an arbitral award, which was not challenged under Section 34 of the Arbitration and Conciliation Act, 1996, can be executed against a corporate debtor after approval of a resolution plan under the Insolvency and Bankruptcy Code (IBC), 2016, where the operational creditor's claim has been settled at nil.

**Held:**

The Supreme Court held that an arbitral award for claims not included in an approved resolution plan under the Insolvency and Bankruptcy Code (IBC) cannot be enforced. Once a resolution plan is approved by the National Company Law Tribunal (NCLT), all pre-existing claims not part of the plan are deemed extinguished, and creditors cannot execute such claims, even if backed by an arbitral award. The IBC provides a fresh start to the corporate debtor, overriding any parallel enforcement mechanisms

[Click here for order copy](#)**CIVIL PROCEDURE CODE, 1908****MANJUNATH TIRAKAPPA  
MALAGI AND ANR  
Vs.  
GURUSIDDAPPA TIRAKAPPA  
MALAGI (DEAD THROUGH LRS)****Court:** Supreme Court of India**Date:** 21 April 2025**Bench:** Justice Sudhanshu Dhulia and Justice Ahsanuddin Amanullah**Issue:**

Whether legal heirs can maintain a separate suit to challenge a compromise decree when the original party did not file a recall application against the decree.

**Held:**

The Court ruled that under Order 23 Rule 3A CPC, if a party to a compromise decree believed it was obtained unlawfully (e.g., by coercion), the only remedy was to file a recall application in the same court that passed the decree.

Since the original party (the appellants' father) did not challenge the decree during his lifetime, his legal heirs could not file a separate suit to set it aside.

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**CIVIL PROCEDURE CODE, 1908  
AND  
INDIAN EVIDENCE ACT, 1872**

**Annaya Kocha Shetty (Dead)  
Through L.Rs.  
Vs.  
Laxmibai Narayan Satose Since  
Deceased Through L.Rs. and Ors.**

**Court:** Supreme Court of India

**Date:** 08 April 2025

**Bench:** Justice Pankaj Mithal and Justice Sarasa Venkatanarayana Bhatti

**Issue:**

1. Whether oral evidence could be admitted to contradict the written terms under Sections 91 and 92 of the Indian Evidence Act, 1872.
2. Whether long and verbose pleadings and AI-generated statements were hampering judicial efficiency and clarity in civil litigation.

**Held:**

- The Court emphasized that the written agreement's terms were clear, and oral evidence could not be used to contradict them as no exceptions under Section 92 were attracted.
- On the matter of pleadings, the Court strongly criticized the increasing trend of lengthy, meandering pleadings and AI-generated content, stating that such practices distract from the core issues and burden the courts. It urged trial courts to exercise powers under Order 6 Rule 16 CPC to strike out unnecessary or frivolous pleadings, stressing the importance of concise and relevant pleadings to ensure efficient justice delivery.

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**CIVIL PROCEDURE CODE, 1908**

**AMRUDDIN ANSARI (DEAD)  
THROUGH LRS & ORS.  
Vs.  
AFAJAL ALI & ORS.**

**Court:** Supreme Court of India

**Date:** 26 April 2025

**Bench:** Justice Jamshed B. Pardiwala and Justice R. Mahadevan.

**Issue:**

Whether the dismissal of a suit for default under Order IX Rule 2 CPC bars the filing of a fresh suit on the same cause of action by applying the principle of res judicata.

**Held:**

The Supreme Court recently clarified that the dismissal of a suit or application for default under Order IX Rules 2 or 3 of the CPC does not bar the institution of a fresh suit, as such dismissal does not amount to a "judgment" or "decree" and therefore does not attract the application of res judicata.

The Court observed:

"An order dismissing a suit or application for default under Rule 2 or Rule 3 of Order IX CPC is neither an adjudication on rights nor a decree, nor is it an appealable order. Consequently, such dismissal does not meet the definition of 'judgment' or 'decree,' as there is no final decision on the merits. Therefore, if a fresh suit is filed, the earlier dismissal cannot and will not operate as res judicata."

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**CIVIL PROCEDURE CODE, 1908**

**ANGADI CHANDRANNA  
Vs.  
SHANKAR & ORS.**

**Court:** Supreme Court of India

**Date:** 22 April 2025

**Bench:** Justice Jamshed B. Pardiwala and Justice R. Mahadevan.

**Issue:**

Whether the High Court was justified in interfering with the First Appellate Court's finding that the property was self-acquired, particularly in light of the principle that once Joint Hindu Family property is partitioned, the shares allotted to each coparcener become their self-acquired property, and that ancestral property must be inherited from paternal ancestors up to three generations..

**Held:**

The Supreme Court held that upon partition of Joint Hindu Family property, the shares allotted to each coparcener become their self-acquired property, and the property cannot thereafter be treated as ancestral. Referring to *Govindbhai Chhotabhai Patel & Ors. v. Patel Ramanbhai Mathurbhai* (2019), the Court reiterated that for a property to be regarded as ancestral, it must be inherited from a paternal ancestor within three generations.

Since the First Appellate Court had correctly concluded that the disputed property was self-acquired by Defendant No. 1 through his own income and a loan, and the High Court interfered without framing any substantial question of law, the Supreme Court set aside the High Court's decision and restored the First Appellate Court's judgment, thereby dismissing the plaintiffs' claim for partition

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**COPYRIGHT ACT, 1957  
DESIGNS ACT, 2000  
TRADE AND MERCHANDISE  
MARKS ACT, 1958**

**CRYOGAS EQUIPMENT PRIVATE  
LIMITED  
Vs.  
INOX INDIA LIMITED AND ORS**

**Court:** Supreme Court of India

**Date:** 15 April 2025

**Bench:** Justice Surya Kant and Justice N. Kotiswar Singh

**Issue:**

Whether the engineering drawings used in cryogenic tank manufacturing are protected as 'artistic works' under the Copyright Act, 1957, or should be treated as 'designs' under the Designs Act, 2000, thereby affecting the scope and nature of protection.

**Held:**

The Court clarified that to determine whether the drawings enjoy copyright or design protection, the trial court must apply the "twin test":

1. Whether the work is a purely artistic creation; and
2. Whether the dominant purpose of the work is functional or industrial in nature.

If the drawings have been reproduced more than 50 times through an industrial process and are capable of design registration, then Section 15(2) of the Copyright Act bars copyright protection unless registered under the Designs Act.

The Commercial Court was directed to decide on the interim injunction within two months and complete the trial within one year, applying this framework to determine the true character of the work.

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**CONSUMER PROTECTION ACT,  
1986**

**THE CHIEF OFFICER, NAGPUR  
HOUSING AND AREA  
DEVELOPMENT BOARD & ORS.  
Vs.  
MANOHAR BURDE**

**Court:** Supreme Court of India

**Date:** 26 March 2025

**Bench:** Justice Jitendra K. Maheshwari and Justice Aravind Kumar.

**Issue:**

Whether the High Court was justified in enhancing the interest on refund from 9% (as ordered by National Consumer Disputes Redressal Commission (NCDRC) to 15% in a case involving delayed possession of a flat and additional charges.

**Held:**

The Supreme Court found that the NCDRC's award of 9% interest was reasonable and aligned with established precedents, particularly citing Bangalore Development Authority v. Syndicate Bank. The Court held that the High Court had erred in enhancing the interest to 15%. Accordingly, it restored the NCDRC's 9% interest award and also reduced the compensation amount from Rs. 10,00,000 to Rs. 7,50,000.

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**CONTRACT ACT AND CIVIL  
PROCEDURE CODE, 1908**

**RAKESH KUMAR VERMA  
Vs.  
HDFC BANK LTD. AND  
CONNECTED APPEAL**

**Court:** Supreme Court of India

**Date:** 08 April 2025

**Bench:** Justice Dipankar Datta and Justice Manmohan

**Issue:**

Whether civil suits filed by terminated employees can be maintained in local courts (Patna and Delhi) despite an exclusive jurisdiction clause in their employment contracts.

**Held:**

By aligning Section 28 of the Indian Contract Act, 1872 with Section 20 of the Civil Procedure Code, 1908, the Hon'ble Court decisively affirmed that parties to a contract—be it in commercial or employment contexts—may mutually agree to limit the jurisdiction to a specific set of competent courts. However, such a clause must not completely exclude the possibility of legal recourse. The Supreme Court held that the exclusive jurisdiction clauses in private employment contracts are valid and enforceable, provided they are not contrary to the Contract Act or CPC.

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## CENTRAL GOODS AND SERVICES TAX ACT, 2017

**M/S SHRINIVASA REALCON PRIVATE LTD.**

**Vs.**

**DEPUTY COMMISSIONER ANTI-EVASION BRANCH, CGST & CENTRAL EXCISE NAGPUR & OTHERS.**

**Court: Bombay High Court (Nagpur Bench)**

**Date:** 08 April 2025

**Bench:** Justice Avinash G. Gharote and Justice Abhay J. Mantri

### Issue:

Whether a standard development agreement (that does not involve the purchase or transfer of external TDR/FSI) between a landowner and a developer attract GST under Entry 5B of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, as amended on 29.03.2019, by treating it as a supply of development rights or FSI?

### Held:

The development agreement dated 07.04.2022 did not involve any separate transfer or purchase of TDR or FSI.

The developer was simply granted permission by the landowner to use the available FSI on the plot for construction purposes.

Entry 5B is applicable only in cases involving a transfer of TDR or FSI as defined under Clause 11.2 of Maharashtra's UDCP Regulations.

Therefore, such standard development agreements do not amount to a supply of TDR or FSI and are not liable to GST under Entry 5B.

Consequently, the show cause notice and the GST demand were set aside.

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## CENTRAL GOODS AND SERVICES TAX ACT, 2017

**NIRMAL LIFESTYLE DEVELOPERS PVT. LTD. VS. UNION OF INDIA**

**Court: Bombay High Court**

**Date:** 09 April 2025

**Bench:** Justice B. P. Colabawalla and Justice Firdosh P. Pooniwalla

### Issue:

Whether a revenue sharing arrangement under a development agreement amounts to a “supply of service”

### Held:

The Bombay High Court granted **interim relief**, directing the GST department to file an affidavit within two weeks on whether the revenue sharing arrangement qualifies as a supply of service exigible to GST.

The Court noted the issue is similar to a matter decided by the Gujarat High Court, where an assignment of lease was held to be a transfer of immovable property, not a “supply” under GST, and hence not taxable. The petitioner contended that even assuming a transfer occurred, it would relate to immovable property, thereby falling outside the GST regime.

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**CENTRAL GOODS AND SERVICES TAX ACT, 2017****M/S.POOMIKA INFRA DEVELOPERS****Vs.  
STATE TAX OFFICER****Court: Madras High Court****Date: 09 April 2025****Bench: Justice Mohammed Shaffiq****Issue:**

Whether service of notices and orders by uploading them to the GST Common Portal constitutes a valid mode of service, particularly in the context of Section 13(2)(a)(ii) of the Information Technology Act, 2000, and Section 169(1)(d) of the GST Act, 2017.

**Held:**

The Madras High Court held that uploading a notice or order on the GST Common Portal constitutes valid service under Section 169 of the GST Act. It rejected the argument that service is complete only upon retrieval by the assessee, clarifying that actual access is not required. The Court also noted that SMS/email alerts are optional and not necessary for valid service.

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**CENTRAL GOODS AND SERVICES TAX ACT, 2017****M/S ROHAN CORPORATION INDIA PVT LTD.****Vs.  
UOI****Court: Bombay High Court****Date: 09 April 2025****Bench: Justice B. P. Colabawalla and Justice Firdosh P. Pooniwalla****Issue:**

Whether a revenue sharing arrangement under a development agreement amounts to a “supply of service”

**Held:**

The Bombay High Court granted **interim relief**, directing the GST department to file an affidavit within two weeks on whether the revenue sharing arrangement qualifies as a supply of service exigible to GST.

The Court noted the issue is similar to a matter decided by the Gujarat High Court, where an assignment of lease was held to be a transfer of immovable property, not a “supply” under GST, and hence not taxable. The petitioner contended that even assuming a transfer occurred, it would relate to immovable property, thereby falling outside the GST regime.

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**CENTRAL GOODS AND SERVICES  
TAX ACT, 2017****TATA STEEL LTD.  
VS.  
STATE OF JHARKHAND****Court:** Jharkhand High Court**Date:** 03 April 2025**Bench:** Chief Justice M.S. Ramachandra Rao and  
Justice Deepak Roshan**Issue:**

Whether the rejection of a refund claim under Section 54 of the CGST Act, 2017, on the grounds of alleged non-submission of documents such as proof of payment, export proof, and a no-prosecution declaration—despite their non-requirement under GST law or binding circulars—is valid in law.

**Held:**

The Jharkhand High Court held that proof of payment is not required for the export of goods, as such a requirement applies only to the export of services. In the case of goods, a reconciliation statement is sufficient, and the petitioner had already submitted the same along with the refund application. The Court further observed that the ground for rejection based on non-submission of export proof within 90 days was factually incorrect and ran contrary to a binding government circular issued in 2019. It concluded that all the reasons cited by the department for rejecting the refund were beyond the scope of the CGST Act, associated rules, and binding circulars, rendering the rejection legally unsustainable.

[click here for order copy](#)**INCOME TAX ACT, 1961****RBANMS EDUCATIONAL  
INSTITUTION  
Vs.  
B. GUNASHEKAR & ANR****Court:** Supreme Court of India**Date:** 16 April 2025**Bench:** Justice Jamshed B. Pardiwala and Justice R.  
Mahadevan**Issue:**

Whether courts and sub-registrars (SROs) have a duty to report cash transactions above ₹2 lakh mentioned in pleadings or documents (such as agreements or sale deeds), and whether such claims violate Section 269ST of the Income Tax Act, 1961.

**Held:**

The Supreme Court held that courts and sub-registrars must report any cash transaction exceeding Rs.2 lakh mentioned in pleadings or registered documents to the Income Tax Department, as such transactions are prima facie violative of Section 269ST of the Income Tax Act.

It issued mandatory directions to:

1. All courts to forward pleadings mentioning such transactions to the jurisdictional income tax authority.
2. All sub-registrars to report similar declarations in registration documents.
3. Income tax authorities to act on such reports.
4. Chief Secretaries to take disciplinary action against officials who fail to report.

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## LAND ACQUISITION ACT, 1894

**KISHORE CHHABRA**

**Vs.**

**THE STATE OF HARYANA AND ORS.**

**Court:** Supreme Court

**Date:** 01 April 2025

**Bench:** Justice Bhushan.R. Gavai, Justice Prashant Kumar Mishra and Justice Kalpathy.V. Viswanathan,

### Issue:

Whether the appellant's industrial land (housing a factory) should be released from acquisition, despite the absence of a valid Change of Land Use (CLU) certificate, and if refusal to release the land amounted to discrimination.

### Held:

The Supreme Court held that the appellant could not claim discrimination as he lacked a valid CLU certificate, which is a mandatory statutory requirement for seeking land release from acquisition. The Court found no legal right to relief in the appellant's plea. However, invoking its extraordinary powers under Article 142, the Court directed that the compensation be calculated under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, considering the appellant's long-standing possession and investment in the land. The appeal was disposed of with no costs.

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## LAND ACQUISITION ACT, 1894.

**SURESH KUMAR**

**Vs.**

**STATE OF HARYANA & ORS.**

**Court:** Supreme Court of India

**Date:** 23 April 2025

**Bench:** Justice Sanjay Karol and Justice Manmohan

### Issue:

Whether a delay of 4908 days (about 13.5 years) in filing an appeal against a land acquisition compensation award can be a ground to deny fair, just, and reasonable compensation to the landowners.

### Held:

The Supreme Court held that delay in filing an appeal should not defeat a landowner's right to receive fair and reasonable compensation for the land acquired. The Court condoned the delay, setting aside the High Court's refusal, and remanded the matter back for fresh consideration on merits. However, it clarified that no interest would be granted for the period of delay.

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## **LIMITATION ACT, 1963**

**NIKHILA DIVYANG MEHTA  
AND ORS.**

**Vs.  
HITESH P. SANGHVI AND ORS**

**Court:** Supreme Court

**Date:** 15 April 2025

**Bench :** Justice Pankaj Mihal and Justice Sarasa Venkatanarayana Bhatti

### **Issue:**

Whether a suit for declaration of a Will and Codicil as null and void, filed after more than three years from the date of knowledge of the documents, is barred by limitation under Article 58 of the Limitation Act, 1963, and whether such a plaint is liable to be rejected under Order VII Rule 11(d) CPC.

### **Held:**

The Supreme Court held that the limitation period begins from the date when the cause of action first accrues, not from when the plaintiff acquires so-called “full knowledge” of it. The Court rejected the High Court's reasoning that limitation should run from the date of full understanding of the Will and Codicil, calling such a distinction fallacious and unsupported by law.

It reiterated the settled position under Section 3 of the Limitation Act that time-barred suits must be dismissed even if limitation is not raised as a defence. Since the plaintiff had admitted acquiring knowledge of the Will and Codicil in November 2014 but filed the suit only in November 2017, the suit was barred under Article 58 of the Limitation Act. Consequently, the plaint was rightly rejected under Order VII Rule 11(d) CPC, and the High Court erred in reviving it.

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## **NEGOTIABLE INSTRUMENTS ACT, 1881**

**ASHOK SINGH**

**Vs.  
STATE OF UTTAR PRADESH &  
ANR**

**Court:** Supreme Court

**Date:** 02 April 2025

**Bench :** Justice Sudhanshu Dhulia and Justice Ahsanuddin Amanullah

### **Issue:**

Whether the presumption under Section 139 of the Negotiable Instruments Act, 1881 can be rebutted solely by questioning the financial capacity of the complainant, when the drawer has admitted signing the cheque and has not raised such a defence in the statutory reply notice.

### **Held:**

The Supreme Court reiterated that once the drawer admits to signing the cheque, a presumption arises under Section 139 of the NI Act in favour of the complainant. This presumption cannot be rebutted merely by doubting the complainant's capacity to lend money, especially when such a plea was not taken in the reply to the statutory notice. The Court emphasized that the burden to rebut the presumption lies on the accused, and it must be discharged by producing cogent material or evidence—mere denial or speculative arguments are insufficient. The High Court erred in shifting the initial burden to the complainant without the accused having raised a specific and supported defence.

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## REGISTRATION ACT, 1908

**K. GOPI  
Vs.  
THE SUB-REGISTRAR & ORS.**

**Court:** Supreme Court

**Date:** 07 April 2025

**Bench:** Justice Abhay S. Oka and Justice Ujjal Bhuyan

### Issue:

Whether the Registering Authority under the Registration Act, 1908 has the power to refuse registration of a sale deed on the ground that the vendor has not established title, particularly under Rule 55A(i) of the Registration Rules.

### Held:

The Supreme Court held that Registering Officers do not have adjudicatory powers to assess the title of the vendor. Under the scheme of the Registration Act, 1908, their function is purely administrative—to register documents if procedural conditions are met (execution admitted, presence of parties, stamp duty paid). The Court declared Rule 55A(i), which allowed refusal of registration in absence of proof of title, as ultra vires the Registration Act. The Sub-Registrar's refusal, based on that Rule, was unlawful. The Court set aside the judgments of the High Court and permitted the appellant to resubmit the sale deed for registration. Upon compliance with procedural requirements, the Sub-Registrar was directed to register the deed.

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## REGULARISATION OF UNAUTHORIZED DEVELOPMENT ACT,2022

**KANIZ AHMED  
Vs.  
SABUDDIN & ORS.**

**Court:** Supreme Court

**Date:** 30 April 2025

**Bench:** Justice Jamshed B. Pardiwala and Justice R. Mahadevan

### Issue:

Whether courts, particularly in a public interest litigation, can permit the regularisation or protection of completed unauthorised constructions—especially those in blatant violation of building laws—or whether they must strictly uphold eviction and demolition orders in accordance with the rule of law.

### Held:

The Supreme Court upheld the High Court's order directing eviction and demolition of unauthorised construction, rejecting the plea for regularisation. It ruled that unauthorised constructions must be demolished as per law and judicial discretion cannot override statutory provisions. The Court stressed that allowing such constructions undermines the rule of law and public trust, and reiterated that completion certificates, utilities, and loans must not be granted without compliance. The SLP was dismissed and the judgment was directed to be circulated to all High Courts.

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## STAMP ACT, 1958

**MADHYA PRADESH ROAD  
DEVELOPMENT CORPORATION  
Vs.  
VINCENT DANIEL AND ORS.**

**Court:** Supreme Court

**Date:** 27 March 2025

**Bench :** Hon'ble Sanjiv Khanna, C.J.I. and Justice Puligoru Venkata and Justice Sanjay Kumar

### Issue:

Whether the "theory of deduction" applies to determining compensation for undeveloped land under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

### Held:

The Supreme Court held that compensation for acquired land must be based on the circle rate prescribed under the Stamp Act unless proven otherwise. The "theory of deduction" was not applicable in this case, as the compensation was determined per statutory guidelines. The Court dismissed the appeals, affirming the compensation awarded by the Commissioner and underscoring the authorities' duty to ensure accurate valuation based on prevailing rates.

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## SPECIFIC RELIEF ACT, 1963

**HUSSAIN AHMED CHOUDHURY  
& ORS.  
Vs.  
HABIBUR RAHMAN (DEAD)  
THROUGH L.RS. & ORS.**

**Court:** Supreme Court of India

**Date:** 01 April 2025

**Bench:** Justice Vikram Nath and Justice Satish Chandra Sharma

### Issue:

Whether a plaintiff, while seeking a declaration of title under Section 34 of the Specific Relief Act, 1963, must also necessarily seek the cancellation of a sale deed executed by a third party with whom the plaintiff has no privity of contract, or whether declaration alone suffices.

### Held:

The Supreme Court held that a plaintiff can seek a declaration of title without seeking cancellation of a sale deed executed by another party, where there is no contractual relationship between them. It clarified that under Sections 31 and 34 of the Specific Relief Act, merely seeking a declaration of ownership rights is sufficient.

The Court emphasized that the absence of a prayer for cancellation does not make the suit non-maintainable, as the declaration of title itself effectively nullifies the challenge posed by such a sale deed concerning the plaintiff's rights. Thus, there is no obligation to seek cancellation where the plaintiff claims the sale deed is void or not binding

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**SECURITIES AND EXCHANGE  
BOARD OF INDIA ACT, 1992****SEBI  
Vs.  
RAM KISHORI GUPTA & ORS.****Court:** Supreme Court of India**Date:** 07 April 2025**Bench:** Justice Sanjay Kumar and Justice Kalpathy .V.  
Viswanathan**Issue:**

Whether SEBI can pass multiple final orders on the same cause of action under Section 11B of the SEBI Act, 1992, and whether the principle of res judicata applies to such proceedings.

**Held:**

The Supreme Court held that SEBI cannot issue multiple orders on the same cause of action once a final order has been passed and has attained finality. The Court ruled that the principle of res judicata applies to SEBI's quasi-judicial proceedings, preventing it from reopening settled matters without just cause. The order dated 28.09.2018 directing disgorgement was found unsustainable, as the same issue had already been addressed in SEBI's earlier order dated 31.07.2014, which had attained finality. Further, the direction of the Securities Appellate Tribunal (SAT) to SEBI to compensate specific investors (Ram Kishori Gupta & Ors.) was also held unsustainable, as compensation had already been denied in an earlier final order dated 30.04.2013.

[click here for order copy\\_](#)**TRANSFER OF PROPERTY  
ACT, 1882****Rajeev Gupta & Ors  
Vs.  
Prashant Garg & Ors.****Court:** Supreme Court**Date:** 23 April 2025**Bench :** Justice Dipankar Datta and Justice  
Prashant Kumar Mishra**Issue:**

Whether the sale deeds executed during the pendency of a suit were valid in light of the Doctrine of Lis Pendens under Section 52 of the Transfer of Property Act, 1882.

**Held:**

The Supreme Court held that although the sale deeds were executed during the pendency of a prior suit, the purchasers (appellants) were not bound by compromise decrees made later because they were not parties to those earlier suits. The doctrine of lis pendens does not automatically invalidate a sale; it only subordinates the purchaser's rights to the outcome of the pending litigation. Therefore, the appellants' rights had to be judged independently, and plaintiffs could not avoid proving title and the invalidity of the sale deeds properly.

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