

NEWS LETTER CIVIL DISPUTES LAWS

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INDEX

Articles	2
Case Studies	3
FAQs	5
Key Contributor	8



ARTICLE

MSME RECOVERY IN INDIA: LEGAL FRAMEWORK AND REMEDIES

Published on 27th September, 2025

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LEGAL REMEDIES FOR EMPLOYERS AGAINST EMPLOYEE MISCONDUCT IN INDIA

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CIVIL RECOVERY LAWS IN INDIA: LEGAL PROVISIONS, PROCEDURES.

Published on 11th August, 2025

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CASE STUDY OF RELEVANCE

1. Nitin Gupta Vs. Arrpit Aggarwal [Arb. Case No. 116 of 2025]

The Hon'ble Himachal Pradesh High Court held that Section 9 of Arbitration Act aims to preserve the subject matter of arbitration and cannot be used to seek relief destructive of it. Although the



partnership was described as "at will," the bar on unilateral transfer under Clause 8 required arbitral tribunal's consideration, and unilateral dissolution could not be presumed.

Since only a prima facie case was established, while balance of convenience and irreparable loss weighed against the Petitioner, the Court found that freezing accounts and halting operations would paralyze the firm and harm employees, licenses, and goodwill, thus, the Section 9 petition was dismissed with liberty to seek relief before the arbitrator.

2. Chakardhari Sureka Versus Prem Lata Sureka Through Spa & Ors [Civil Appeal No. 11840/2025]

The Supreme Court, while setting aside the Delhi High Court's order, clarified that the pendency of an appeal under Section 37 of the Arbitration and Conciliation Act, 1996, does not, by itself, operate as a bar to the execution of an arbitral award. A bench comprising Justices Manoj Misra and Ujjal Bhuyan held that in the absence of an express interim order staying enforcement, the award-holder is entitled to pursue execution proceedings.

The Court further emphasized that the Execution Court is duty-bound to proceed with the matter in accordance with law and adjudicate objections, if any, on merits after affording due opportunity of hearing to the parties and cannot defer consideration of the execution application merely on account of a pending Section 37 appeal.

3. X vs. Y [MAT.APP.(F.C.) 138/2023 & CM APPL. 68819/2024]

The Delhi High Court recently held that a wife's persistent and pressurising conduct aimed at severing her husband's ties with his family amounts to cruelty and constitutes a valid ground for divorce under Section 13(1)(ia) of the Hindu Marriage Act. A Division Bench of Justices Anil Kshetarpal and Harish Vaidyanathan Shankar dismissed the wife's appeal against a family court order dissolving the marriage on grounds of cruelty. The Court observed that the wife repeatedly pressured her husband to partition family property and live separately from his widowed mother and divorced sister. She also issued repeated threats and lodged police complaints against him and his family members, which, by themselves, were held to constitute cruelty.



Further, the Court noted incidents where the wife berated the husband in public, including humiliating him at his workplace before colleagues and superiors and behaving discourteously towards his superior at an official gathering, causing serious embarrassment. Such acts of repeated public humiliation and verbal abuse were recognised as mental cruelty. The Bench concluded that the husband had successfully proved a consistent pattern of pressure, humiliation, threats, and alienation that went beyond ordinary marital discord, thereby justifying the dissolution of marriage.

4. Beevee Enterprises & Ors. Vs. L&T Finance Limited [APOT 208 of 2025]

The Court held that the arbitration clause granting unilateral power to the lender's Principal Officer to appoint an arbitrator was void under Section 12(5) of the Arbitration Act, as clarified in TRF Ltd. and Perkins. It further ruled that courts retain power under Section 9 to grant interim relief despite an arbitrator's lack of jurisdiction and may appoint a substitute arbitrator under Section 15 without requiring a fresh Section 11 application.

On the issue of CPC applicability, it noted that while excluded from arbitral proceedings, courts may still impose conditions such as security under Order 41 CPC in line with the Arbitration Act. Concluding, it reiterated that Section 9 is a selfcontained code for interim measures, and accordingly disposed of the appeal.

5. THE STATE OF HARYANA VERSUS JAI SINGH AND OTHERS [CIVIL APPEAL NO. 6990 OF 2014]

The Supreme Court of India on September 16 upheld the Punjab & Haryana High Court's decision that unutilized land ("bachat land") left after consolidation for common purposes must be redistributed among proprietors in proportion to their contributions, unless specifically reserved in the consolidation scheme and possession handed to the Panchayat. The Court, led by CJI BR Gavai, relied on its earlier Constitution Bench judgment in Bhagat Ram v. State of Punjab (1967) and emphasized that such land does not vest in the Gram Panchayat or the State. Rejecting Haryana's appeal against the High Court's Full Bench ruling, the Court applied the doctrine of



stare decisis, noting that over 100 High Court judgments had consistently upheld proprietors' rights over bachat land, and disturbing this settled position would undermine legal certainty. The appeal was accordingly dismissed, reaffirming that ownership of unutilized land remains with the proprietors.

6. Samaran Media Consultants Pvt. Ltd. Vs. Mercedes Benz India Pvt. Ltd [CC No. 158/2023]

The Delhi State Consumer Dispute Redressal Commission held that the complainant qualified as a 'consumer' under Section 2(7) of the Consumer Protection Act, 2019, since the car was purchased for personal use. On jurisdiction, it was ruled that the Delhi State Commission had authority under Section 47(4) as the dealer's office and service centre were in Delhi, and contractual clauses could not override statutory provisions.

Regarding deficiency in service, persistent defects within six months, including replacement of the battery pack, indicated a manufacturing defect acknowledged by the opposite parties. Consequently, the complaint was allowed with directions for a refund of Rs. 1.78 crore, Rs. 5 lakh compensation, Rs. 50,000 litigation costs, and return of the defective vehicle to the manufacturer.

FREQUENTLY ASKED QUESTIONS (FAQs)

ON

CIVIL DISPUTES

Question 1: What is a civil dispute?

Answer 1: A civil dispute is a legal disagreement between two or more parties concerning rights, obligations, or property. Unlike criminal cases, civil disputes usually involve compensation, enforcement of rights, or specific performance rather than punishment.

Question 2: What are the common types of civil disputes?

Answer 2: Common civil disputes include:

• Property and real estate disputes



- Breach of contract claims
- Landlord-tenant or lease disputes
- Consumer disputes
- Partnership or shareholder conflicts
- Debt and money recovery issues

Question 3: How can I initiate a civil dispute case?

Answer 3: To initiate a civil case, you typically file a civil suit in the appropriate civil court with jurisdiction over the matter. The complaint should clearly state the facts, legal basis, and the relief or compensation you are seeking.

Question 4: What is the role of civil courts in India?

Answer 4: Civil courts adjudicate disputes between private parties. They examine evidence, interpret contracts, property titles, and other documents, and deliver judgments enforcing rights or awarding damages. Specialized courts like Commercial Courts and Family Courts handle specific types of civil disputes.

Question 5: What is the limitation period for filing a civil suit?

Answer 5: The limitation period depends on the type of dispute and is governed by the Limitation Act, 1963. For example:

- Property disputes: 12 years from the date of cause of action
- Breach of contract: 3 years from the date of breach Timely filing is essential, as claims filed after the limitation period may be dismissed.

Question 6: Can civil disputes be resolved outside court?

Answer 6: Yes. Many civil disputes can be resolved through Alternative Dispute Resolution (ADR) methods such as:

- Mediation
- Arbitration
- Conciliation

ADR is often faster, less expensive, and preserves relationships between parties.



Question 7: What remedies can be sought in civil disputes?

Answer 7: Remedies depend on the nature of the dispute and may include:

- Compensation for losses or damages
- Specific performance (forcing a party to fulfill contractual obligations)
- Injunctions (preventing someone from acting in a certain way)
- Declaratory relief (clarifying rights)

Question 8: How long does a civil dispute usually take to resolve?

Answer 8: The duration depends on complexity, evidence, and court workload. Simple cases may resolve in a few months, while property or commercial disputes may take several years. Alternative dispute resolution methods are usually faster.

Question 9: Can civil disputes lead to criminal liability?

Answer 9: Generally, civil disputes are separate from criminal cases. However, if a civil wrong involves fraud, misrepresentation, or criminal breach of trust, criminal proceedings may also be initiated.

Question 10: How can I protect myself or my business from civil disputes?

Answer 10: Preventive measures include:

- Drafting clear contracts and agreements
- Maintaining proper documentation and records
- Including dispute resolution clauses in contracts
- Seeking legal advice before entering significant agreements

KEY CONTRIBUTORS



Deepak Panwar

Managing Partner

Infolex Consultants

E.: deepak@infolexconsultants.com

M.: 88902 38352

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