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Sanjabij Tari Vs. Kishore S. Borcar & Anr.
[2025 INSC 1158]

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Central Organisation For Railway Electrification
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M/s Vikram Cement Vs. Commnr. of
Central Excise, Indore
[2006 INSC 26]



Can presumption under section 139 of the Negotiable Instruments Act, 1881 be inapplicable if there is a cash transaction above Rs.20,000 in violation of Section 269SS of the Income Tax Act, 1961?

CONTEXT: The Appellant (Complainant) challenged the ex-parte judgment of the High Court of Bombay, which acquitted Respondent No. 1 (Accused) under Section 138 of the NI Act, 1881. The accused had issued a cheque in favour of the Appellant in discharge of a legally enforceable debt, alleged to be a friendly cash loan of Rs. 6,00,000/- and the cheque was dishonoured upon presenting. The Respondent attempted to rebut the statutory presumption by questioning the Appellant's financial capacity and claiming the cheque was a signed blank instrument given to enable the Complainant to obtain a loan from a bank. The accused further argued that any loan in cash above Rs.20000 is legally unenforceable as it is violative of Section 269 SS of the Income Tax Act, 1961.

1 The appeal was allowed. The Supreme Court set aside the High Court's ex-parte order dated 16th April 2009 and restored the concurrent judgments of the Trial Court and Sessions Court.

2 The Respondent No. 1-Accused was directed to pay Rs. 7,50,000/- in 15 equated monthly instalments of Rs. 50,000/- each. The Supreme Court further held that once the execution (signing) of the cheque is admitted, the presumptions under Section 118 (consideration) and Section 139 (legally enforceable debt or liability) of the NI Act arise against the accused.

3 This presumption is rebuttable, but the initial onus is on the accused. The Apex Court found that the accused failed to lead evidence regarding the financial incapacity of the Appellant-Complainant to rebut the presumption. It further held that violation of section 269 SS of the IT Act, 1961 will not render void a legally enforceable debt, however shall attract penalty under sec 271 D of IT Act, 1961.

SANJABIJ TARI VS.
KISHORE S. BORCAR &
ANR.
[2025 INSC 1158]

SECTIONS 138,118 AND
139 OF THE
NEGOTIABLE
INSTRUMENTS ACT,
1881

SECTION 269 SS AND
271 D OF INCOME TAX
ACT, 1961

Whether an arbitration clause allowing an interested party (such as a Public Sector Undertaking) to unilaterally appoint a sole arbitrator or curate a panel from which the other party must select its nominee violates the mandatory provisions of the Arbitration and Conciliation Act, 1996, and the Constitution of India?

CONTEXT: The Supreme Court addressed a reference concerning the legality of specific arbitrator appointment procedures used primarily by government entities/PSUs, which often incorporate clauses giving one contracting party dominance in constituting the arbitral tribunal. The inquiry centred on balancing party autonomy (Section 11(2) of the Arbitration and Conciliation Act, 1996) against the mandatory principles of independence, impartiality (Section 12(5)), and the equal treatment of parties (Section 18). The core dispute involved Clause 64(3)(b) in Railways contracts, which mandated the appointment of a three-member tribunal from a curated panel of retired officers chosen by the Railways' General Manager.

① The Supreme Court concluded that unilateral appointment clauses were invalid. The principle of equal treatment under Section 18 applied at all stages of arbitration proceedings, including the appointment stage.

② Mandating the other party to select its arbitrator from a curated panel of potential arbitrators was held to be against the principle of equal treatment, as it lacked an effective counterbalance and was prejudiced in favour of the curating party (e.g., the Railways in Central Organisation for Railway Electrification (CORE)).

③ Unilateral appointment clauses in public-private contracts were further held to be violative of Article 14 of the Constitution for being arbitrary. The law declared was applied prospectively to arbitrator appointments concerning three-member tribunals made after the date of that judgment.

**CENTRAL ORGANISATION
FOR RAILWAY
ELECTRIFICATION VS.
M/S ECI SPIC SMO MCML
(JV) A JOINT VENTURE
COMPANY
[2024 INSC 857]**

**SECTIONS 11(8), 12(5)
AND 18 OF THE
ARBITRATION AND
CONCILIATION ACT
1996**

**ARTICLE 14 OF THE
CONSTITUTION OF
INDIA**

Whether discrimination on the basis of gender identity by private educational institutions, coupled with the failure of the Union and State Governments to implement statutory safeguards, constitutes a violation of fundamental rights warranting compensation under writ jurisdiction?

JANE KAUSHIK V.
UNION OF INDIA &
ORS.
[2025 INSC 1248]

CONTEXT: Ms. Jane Kaushik, a transgender woman, petitioned the Supreme Court under Article 32 of the Constitution of India, being aggrieved by discrimination and humiliation she faced in employment, resulting in her termination/denial of employment from two private schools (Respondent No. 4 and Respondent No. 5) within one year. She sought enforcement of her fundamental rights, arguing that the pervasive lack of statutory implementation mechanisms resulted in a denial of justice.

① The Supreme Court held the Second School (Respondent No. 4) liable for discrimination under the Transgender Persons (Protection of Rights) Act, 2019 and ordered it to pay Rs. 50,000 as compensation.

② The Court also found the Union of India and Respondent States liable for “inaction and lethargy,” amounting to “omissive discrimination,” and directed each to pay Rs. 50,000 to the petitioner.

③ Relying on ***NALSA v. Union of India [(2014) 5 SCC 438]***, the Court affirmed that “sex” under Article 15 includes gender identity, making the school’s denial of employment discriminatory. The States’ failure to implement the 2019 Act such as not appointing complaint officers was deemed a constitutional violation.

④ Referring to ***Rudul Sah v. State of Bihar [(1983) 4 SCC 141]***, the Court upheld its power under Article 32 to grant compensation for such fundamental rights breaches, including against non-state actors and the State for institutional inaction.

**SECTIONS 3(b), 3(c), 9
AND 11 OF THE
TRANSGENDER
PERSONS
(PROTECTION OF
RIGHTS) ACT, 2019.**

**RULE 13 OF THE
TRANSGENDER
PERSONS
(PROTECTION OF
RIGHTS) RULES, 2020**

Whether the use of explosives in off-site limestone quarries qualifies for CENVAT credit under the CENVAT Rules, 2000?

CONTEXT: The appellants were cement manufacturers who had availed CENVAT credit on inputs, specifically explosives, utilized in quarrying limestone. The limestone was subsequently used in the manufacture of cement and clinkers. The mines where the explosives had been used were situated at some distance from the factory premises. The Adjudicating Authority had denied the CENVAT credit on these inputs. This legal dispute required the reconsideration of an earlier Division Bench ruling in ***Commissioner of Central Excise, Jaipur v. J.K. Udaipur Udyog Ltd., (2004 (171) ELT 289 (SC))***, which had held that the precedent of ***Jaypee Rewa Cement v. Commissioner of Central Excise, M.P., (2001 (133) ELT 3 (SC))*** did not apply to the CENVAT Rules 2000 framed under the Central Excise Act, 1944.

1 The appeals were allowed, and the Adjudicating Authority's denial of CENVAT credit was overturned. The Court concluded that the schemes of MODVAT and CENVAT were not different in substance.

2 The prior ruling in ***Commissioner of Central Excise, Jaipur v. J.K. Udaipur Udyog Ltd. [2004 (171) ELT 289 (SC)]*** was held not to be good law because it was based on an incorrect interpretation of the definition of "input" in Rule 57AA and overlooked that Rule 57AB effectively substituted the benefit previously granted under MODVAT Rule 57J.

3 Since the CENVAT Rules, 2000 had replaced the MODVAT Rules, the decision in ***Jaypee Rewa Cement v. Commissioner of Central Excise, M.P. [2001 (133) ELT 3 (SC)]*** that credit was allowable on explosives used for producing intermediate products (limestone) outside the factory continued to apply.

M/S VIKRAM CEMENT
VS. COMMNR. OF
CENTRAL EXCISE,
INDORE
[2006 INSC 26]

**CENTRAL EXCISE
TARIFF ACT 1985**

**RULES 57A, 57B, AND
57J OF THE MODIFIED
VALUE ADDED TAX
(MODVAT) RULES, 1944**

**RULES 57AA, 57AC(1),
AND 57AB(1) OF THE
CENTRAL VALUE
ADDED TAX (CENVAT)
RULES, 2000**