



## **Supreme Court Daily Digest**

**2 September 2025**

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**Disclaimer:** We have made these notes (shared below) based on our understanding of the above Supreme Court judgments. You are requested to read original judgments before using our notes for any purpose. You can click on the case names below to access original judgment.

## **Anil Khandelwal vs Phoenix India 2025 INSC 1069 - IPC - Company - Vicarious Liability**

**Indian Penal Code 1860** - There is no concept of vicarious liability of the officers or directors for the offences under the IPC - before any officer of a Bank or a body corporate can be prosecuted for an offence under the IPC on the allegation of having acted on behalf of the institution, it is incumbent upon the complainant to produce unimpeachable material indicating the precise role of the officer in the commission of the alleged offence. Mere bald assertions of vicarious liability, without foundational facts to show active participation, authorization, or deliberate omission on the part of the officer, are insufficient to justify issuance of process in such a situation. The law does not permit automatic prosecution of directors or officers merely because of their designation or official status. (Para 20-22)

**Code of Criminal Procedure 1973** - Prosecution of the directors or officers of a company can be maintained only when the company itself is arraigned as an accused and additionally, the directors or officers must have acted in a manner that directly connects his/her conduct to the company's liability. In the absence of the company being impleaded as an accused, its directors or officers cannot be fastened with vicarious liability for offences attributable to the company. (Para 16-17)

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## **Manoj Dhankar v. Neeharika 2025 INSC 1068 - Child Custody**

**Child Custody** - The central question is not who is right or wrong as between the parents, but what arrangement will best serve the child. The emotional, mental, and physical well-being of the child must always

come first - Every child has a right to the affection of both parents. Even if parents live apart or in different countries, it is important for the child to maintain a relationship with both of them. [**Context:** While allowing a father's request for video interaction, SC observed: It balances the reality of the child's present living situation with the need to ensure that the father remains a part of the child's life- Denying such contact would deprive the child of the love, guidance, and emotional support of the father]

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**Kiran v. Rajkumar Jivraj Jain 2025 INSC 1067 - CrPC - Anticipatory Bail - SC-ST Act**

**Code of Criminal Procedure, 1973 - Section 438 ; Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989 - Section 3,18,18A** - Bar against grant of anticipatory bail in absolute terms in relations to the arrest of a person who faces specific accusations of having committed the offence under the SC-ST Act- The benefit of anticipatory bail for such an accused is taken off - In a given case where on the face of it the offence under Section 3 of the Act is found to have not been made out and that the accusations relating to the commission of such offence are devoid of prima facie merits, the Court has a room to exercise the discretion to grant anticipatory bail to the accused under Section 438 of the Code.- Non-making of prima facie case about the commission of offence is perceived to be such a situation where the Court can arrive at such a conclusion in the first blush itself or by way of the first impression upon very reading of the averments in the FIR. The contents and the allegations in the FIR would be decisive in this regard. Furthermore, in reaching a conclusion as to whether a prima

facie offence is made out or not, it would not be permissible for the Court to travel into the evidentiary realm or to consider other materials, nor the Court could advert to conduct a mini trial. (Para 6.1-2)

**Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989 - Section 3** - If the offence is committed outside the building, for example in the lawn outside the house, and the lawn can be seen by someone from the road or lawn outside the boundary wall, then the lawn would certainly be a place within the public view -[**Context:** In this case, the incident took place outside the house of the complainant which could be viewed by anybody, SC held that it is was a place within public view.]

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**Oil and Natural Gas Corporation Ltd. v. G & T Beckfield Drilling Services Pvt. Ltd 2025 INSC 1066 - S.31 Arbitration Act - Power To Award Pendente Lite Interest**

**Arbitration and Conciliation Act, 1996 - Section 31-** Arbitral tribunal can be denuded of its power to award pendente lite interest only if the agreement/ contract between the parties is so worded that the award of pendente lite interest is either explicitly or by necessary implication - A clause merely barring award of interest on delayed payment by itself will not be readily inferred as a bar to award pendente-lite interest by the arbitral tribunal. (Para 25) The arbitral tribunal has jurisdiction to award interest for three distinct periods, namely, pre-reference, pendente lite, and future i.e., post-award. Award of pre-reference and pendente-lite interest is subject to the agreement between the parties whereas post award interest is statutorily governed and is not subject to the agreement between the parties.- Clause (b) does

not give the parties the right to 'contract out' interest for the post award period. (Para 12)

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**Shailja Krishna vs. Satori Global Limited 2025 INSC 1065 - Ss.397,398 - NCLT/CLB - Gift Deed Validity**

**Companies Act 1956 - Section 397,398-** NCLT/CLB possess a wide jurisdiction to decide all such matters that are incidental and/or integral to the complaint alleging oppression and mismanagement. Such power is, however, subject to any other legislative enactment specifically debarring the NCLT/CLB from exercising its powers in this respect - When the determination of whether the gift deed is valid or not is central to the decision, the NCLT have full jurisdiction to decide whether the gift deed is valid or not, or whether it is against the provisions of the 1956 Act and/or internal regulations of the COMPANY, including but not limited to the AoA and the Memorandum of Association. (Para 30-31)

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**Shree Nagani Silk Mills Pvt. Ltd. v. L.D. Industries Ltd. 2025 INSC 1064 - S.138 NI Act - SICA - CrPC**

**Negotiable Instruments Act 1881 - Section 138 :** Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) - There is no embargo on filing a complaint under Section 138 of N.I. Act against a 'SICK' company; Even if there is a restraint order under Section 22A of SICA, the nature of the restraint order and the facts of that case would have to be considered before taking a decision whether the proceeding under Section 138 could continue or not; The appropriate stage for taking such

a decision would, ordinarily, be after parties have led their evidence.  
(Para 22)

**Code of Criminal Procedure** - There is no inherent power of Trial Courts to review or recall the issue of summons. This does not affect the power of the Trial Court under Section 322 of the Code to revisit the order of issue of process in case it is brought to the court's notice that it lacks jurisdiction to try the complaint. (Para 24)

**Negotiable Instruments Act 1881 - Section 118** - The law raises a presumption that every negotiable instrument bearing a date was made or drawn on such date. In such circumstances, to rebut the said presumption, evidence would have to be led. (Para 14)

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**Gian Chand Garg vs Harpal Singh - S.138 NI Act - Compounding**

**Negotiable Instruments Act - Section 147** - Although dishonour of cheque entails criminal consequence, the legislature by virtue of section 147 of the NI Act has made it compoundable notwithstanding the provisions of the Code of Criminal Procedure, 1973 and the same can be compounded at any stage of the proceedings especially when the parties have themselves arrived at a voluntary compromise. (Para 10)

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