Weekly Update for Law Optional UPSC

A mix of Conceptual, Current/Contemporary Topics

1st June -7th June, 2026

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1.SC Protects Mahantship, Says State Cannot Permanently Strip Mathadhipati of Administrative Powers

In **Arjun Dass v. State of Andhra Pradesh**, the Supreme Court addressed a significant constitutional question concerning the scope of State regulation over religious institutions and the protection guaranteed to religious denominations under Article 26 of the Constitution.

A Bench of Justices J.K. Maheshwari and Atul S. Chandurkar held that the State cannot permanently separate the religious functions of a Mathadhipati from his administrative and secular responsibilities and vest the latter in a government-appointed "Fit Person." Such an arrangement, the Court observed, strikes at the very concept of **Mahantship**, where spiritual leadership and management of the Mutt's affairs are intrinsically intertwined.

Setting aside the Andhra Pradesh Government's orders removing Arjun Dass as Mathadhipati of Sri Swamy Hathiramji Mutt, the Court found that the disciplinary proceedings were vitiated by serious violations of natural justice. It noted that crucial documents were not properly supplied, the enquiry was conducted ex parte, and members of the Dharmika Parishad who initiated proceedings also participated in adjudicating them, creating a reasonable apprehension of bias.

Emphasising that deprivation of a religious office must be through fair, neutral, and minimally invasive procedures, the Court restored Arjun Dass to office and ordered a fresh independent enquiry under judicial supervision.

2. SC Clarifies Limitation After Section 33 Arbitration Applications

In **National Highway Authority of India v. T. Younis & Anr., 2026 LiveLaw (SC) 589**, the Supreme Court clarified a significant question of law on computation of limitation for challenging arbitral awards under Section 34 of the Arbitration and Conciliation Act, 1996.

A Bench of Justices Pamidighantam Sri Narasimha and Alok Aradhe held that once a party invokes Section 33 for correction, interpretation, or supplementation of an arbitral award, the limitation period for filing a Section 34 challenge begins only from the date on which the Section 33 application is disposed of. Importantly, the Court ruled that this principle applies irrespective of whether the Section 33 application is allowed, rejected, or otherwise disposed of.

The dispute arose from land acquisition compensation proceedings involving NHAI, where the Karnataka High Court had held that an allegedly non-maintainable Section 33 application could not defer limitation under Section 34.

Rejecting this approach, the Supreme Court held that the statute makes no distinction between successful and unsuccessful Section 33 applications. Once the tribunal entertains such proceedings, parties cannot be forced to file Section 34 petitions merely by way of caution.

3.SC Closes Loophole in Anti-Corruption Law, Restores Bribery FIR Against Police Officer

In **State by Lokayukta Police v. Sri K. Rangayya & Anr.**, the Supreme Court addressed a crucial question of law concerning the scope of liability under Section 7 of the Prevention of Corruption Act, 1988. The Court held that a public servant need not personally demand or receive a bribe to attract criminal liability; an attempt to obtain an undue advantage through subordinates or third parties is equally punishable.

A Bench of Justices Sanjay Karol and N. Kotiswar Singh set aside a Karnataka High Court order that had quashed an FIR against a Police Sub-Inspector accused of indirectly seeking ₹50,000 through subordinate police personnel. The High Court had held that, in the absence of a direct demand or acceptance by the officer, no offence was made out.

Rejecting this narrow interpretation, the Supreme Court relied on Explanation 2 to Section 7, observing that the provision expressly covers attempts to obtain illegal gratification “for another person” and through intermediaries. The Court found that the officer’s alleged instruction to the complainant to “do something for those boys” prima facie amounted to a veiled demand for illegal gratification.

Warning against creating a loophole that would allow senior officials to operate through subordinates while maintaining plausible deniability, the Court restored the FIR and directed that the allegations be examined during trial.

4.SC Holds Authorised Signatory Liable for NGO Cheque Dishonour

In **K. Ranganayakulu v. State of Telangana & Ors.**, the Supreme Court addressed an important question of law under Section 138 of the Negotiable Instruments Act, 1881: whether an authorised signatory who issues a cheque on behalf of a non-governmental organisation can be treated as the “drawer” and held personally liable for its dishonour.

A Bench of Justices Prashant Kumar Mishra and N.V. Anjaria held that where an organisation expressly authorises an individual to sign cheques, issue negotiable instruments, and undertake payment obligations on its behalf, such person assumes the legal character of a “drawer” for the purposes of Section 138. The

Court observed that liability cannot be avoided merely by claiming to have acted as an office bearer of the organisation.

The dispute arose from dishonoured cheques issued by an NGO pursuant to a Memorandum of Understanding with the electricity distribution company. The appellant, serving as Treasurer and authorised signatory, argued that he could not be personally liable for the NGO's obligations.

Rejecting the contention, the Court held that the appellant was the designated representative responsible for executing financial commitments under the agreement and therefore attracted statutory liability. The Court clarified that authorised signatories may be prosecuted where the requirements of Sections 138 and 141 are satisfied.

5.WTO and UNEP place climate action at the centre of trade and environmental law

During **1–5 June 2026**, the WTO held its **Trade and Environment Week**, with sessions on climate measures, biodiversity, plastics pollution and trade in environmental goods and services. The legal theme running through the event was the "mutual supportiveness" of trade and environmental policies. On **5 June**, UNEP's **World Environment Day 2026**, hosted by Azerbaijan in Baku, also focused on urgent climate action, emissions cuts, renewable transition, methane reduction, forest and ocean protection, adaptation and climate finance.

The important legal issue is whether environmental trade measures can survive WTO scrutiny. Climate-linked import restrictions, carbon-border measures, green subsidies or plastic bans may raise questions under **GATT Article I** on **Most-Favoured-Nation treatment**, **Article III** on **National Treatment**, and **Article XI** on quantitative restrictions. Their legality usually depends on whether they can be justified under **GATT Article XX(b)**, protection of human, animal or plant life or health, or **Article XX(g)**, conservation of exhaustible natural resources, subject to the chapeau requirement against arbitrary or disguised discrimination.

Weekly Focus

Carlill v. Carbolic Smoke Ball Co. (1893)- Case Summary

Carlill v. Carbolic Smoke Ball Co. is a leading English contract law authority on **offer, acceptance, consideration, intention to create legal relations, and unilateral contracts**.

The defendant company advertised that it would pay **£100** to any person who used its "smoke ball" as directed and still contracted influenza. To show seriousness, the advertisement stated that **£1000 had been deposited in a bank**. Mrs. Carlill purchased and used the smoke ball according to the instructions but nevertheless caught influenza. When she claimed the promised reward, the company refused, arguing that the advertisement was mere sales puff, not a binding offer.

The principal issue before the Court was whether the advertisement amounted to a legally enforceable offer, and whether Mrs. Carlill's use of the smoke ball constituted valid acceptance.

The Court of Appeal held in favour of Mrs. Carlill. It ruled that the advertisement was not vague puffery but a clear **unilateral offer** made to the world at large. Acceptance did not require formal communication; performance of the prescribed act was sufficient. By using the smoke ball as instructed, Mrs. Carlill accepted the offer. The deposit of £1000 showed the company's intention to be legally bound.

The case is significant because it established that an advertisement may amount to an offer where its terms are clear and definite. It also confirmed that in unilateral contracts, acceptance can be completed through performance. The decision remains a foundational authority on contract formation and commercial accountability.

PYQ Solution

Examine the elucidate the constitutional scope of the Ordinance making power of the President and the Governors in India. (15 Marks)

Introduction	Articles 123 & 213 empower President and Governors to issue ordinances.
Body	Preconditions, scope, judicial scrutiny, key cases (*T. Venkata Reddy*, *D.C. Wadhwa*), legislative control.
Conclusion	Ordinance as an emergency measure, not a legislative shortcut.

Executive Legislation in Constitutional Context

In India's parliamentary democracy, legislative powers predominantly reside with the Parliament and State Legislatures. However, to address urgent matters when these bodies are not in session, the Constitution empowers the President (Article 123) and the Governors (Article 213) to promulgate **ordinances** with the **same force and effect as laws** passed by the legislature. This mechanism allows temporary legislation during legislative recess but is subject to constitutional constraints and post-facto legislative control.

Constitutional Scope and Boundaries of Ordinance Power

Nature and Preconditions

Under **Article 123(1)**, the President can promulgate an ordinance **only when Parliament is not in session**, and if he is **satisfied that circumstances exist requiring immediate action**. Similarly, **Article 213(1)** applies to the Governor at the state level. The satisfaction is justiciable only in cases of **mala fide or colourable exercise of power**.

Extent of Power

The ordinance must be **within the legislative competence of Parliament or State Legislature**, as the case may be, and conform to **constitutional limitations** such as **Fundamental Rights**.

T. Venkata Reddy v. State of Andhra Pradesh (1985): Held that **the President's satisfaction** under Article 123 is **not justiciable**, and ordinance-making is a **legislative function**.

R.K. Garg v. Union of India (1981): Affirmed that **ordinances have the same force as laws** and may even amend taxation statutes.

Temporal Validity and Post-facto Control

An ordinance **ceases to operate after six weeks** from the date Parliament or State Legislature reassembles unless disapproved earlier. Thus, **post-facto legislative scrutiny** is a critical check on executive action.

D.C. Wadhwa v. State of Bihar (1987): **Re-promulgation of ordinances** without legislative intent was declared a **fraud on the Constitution** and an abuse of Article 123.

A Temporary Necessity, Not a Tool for Executive Dominance

While the ordinance-making power is an essential constitutional tool for urgent governance, its misuse can erode **democratic accountability**. Judicial scrutiny and **legislative oversight** ensure it remains a **temporary, exceptional measure**, not a substitute for the regular law-making process. The recent debates post-*D.C. Wadhwa* reinforce the need to preserve this power within its intended constitutional boundaries.

De Facto IAS