The Indian Journal for Research in Law and Management

Open Access Law Journal – Copyright © 2026

Editor-in-Chief – Dr. Muktai Deb Chavan; Publisher – Alden Vas; ISSN: 2583-9896

SPECIFIC RELIEF (AMENDMENT) ACT, 2018: A CRITICAL EVALUATION OF ITS LEGAL FRAMEWORK AND PRACTICAL ENFORCEMENT

Sohail Kales

ABSTRACT

This article critically evaluates the Specific Relief (Amendment) Act, 2018, and its impact on the legal framework governing contractual remedies in India. It examines the shift of specific performance from a discretionary remedy to a general rule, the introduction of substituted performance, timelines for disposal of suits, amendments relating to recovery of possession, infrastructure projects, special courts, and expert opinions. Through judicial interpretations and statutory analysis, the article assesses the practical implications and challenges of these reforms in strengthening contract enforcement, reducing delays, and improving the effectiveness of the Specific Relief Act, 1963, in contemporary commercial transactions.

INTRODUCTION

Laws may broadly be divided into three categories, that is, those which deal with rights, remedies and procedure. Specific relief law deals with remedies. The remedies from the point of view of civil courts of justice against any wrong are of two types, that is, remedies through which suitor seeks the specific thing which he is entitled to, and through which compensation of loss is sought. The Specific Relief Act governs such remedial measures.

There are following types of remedies in the Specific relief Act:

1. Recovery of possession of property
2. Specific performance of contracts
3. Rectification and cancellation of instruments and rescission of contracts
4. Preventive relief (Injunctions)
5. Declaratory relief

The Specific Relief Act was passed in 1963 pursuant to the recommendations of the Law Commission of India. It repealed the earlier Act, i.e., Specific Relief Act, 1877. More than five decades after its enactment, the Specific Relief Act underwent a significant transformation through the Specific Relief (Amendment) Act, 2018 which amended the Act of 1963. The amendment was based on the recommendations of an Expert Committee constituted by the Ministry of Law and Justice. The committee, constituted in January 2016, comprised six members. The Supreme Court, in Katta Sujatha Reddy vs M/S Siddamsetty Infra Projects Pvt. Ltd. has clarified that the 2018 amendment is not a mere procedural enactment, but has substantive principles built into its working. Consequently, the Court held that the amendment operate prospectively and not retrospectively.[1]By the Specific Relief (Amendment) Act, 2018, Sections 6, 10, 11, 14, 15, 16, 19, 20, 21, 25 and 41 were amended. Existing Section 14 was substituted by new Section 14 and 14A and existing Section 20 was substituted by new Section 20, 20A, 20B and 20C.

The Ministry of Law and Justice set up the committee to review the Specific Relief Act, 1963. The review was from the point of view of enforceability of contracts and the reliefs provided in the Act. A review became necessary due to the substantial economic and infrastructural developments that had taken place since 1963, particularly the increasing prevalence of large scale infrastructure projects and public private partnerships. Accordingly, the Committee was tasked with recommending reforms to improve the effectiveness of the Act.

The Expert Committee suggested several recommendations; few important ones are:

- To make specific performance to be a rule and damages to be an alternative remedy.
- Provide guidelines for lowering the court’s discretion.
- Introducing provisions for rights of third parties.
- To protect the projects which are for the greater public interest from delays and intervention from courts.[2]

PROVISIONS OF THE AMENDMENT ACT

1. CHANGING SPECIFIC PERFORMANCE FROM AN EXCEPTION TO A GENERAL RULE

---

[1] *Katta Sujatha Reddy v. Siddamsetty Infra Projects Pvt. Ltd.*, 2022 SCC OnLine SC 1079, ¶ 51.

[2] POLLOCK & MULLA, *THE SPECIFIC RELIEF ACT, 1963* (15th ed. 2017).

If a person breaks the contract, the order by which civil courts require him to perform it is called specific performance. Whereas, by an order of compensation, the contract breaker is required to pay money for the loss.[3] The specific performance was an exception under the Specific Relief Act, 1963 ("Act"), and it was granted when compensation was inadequate. Thus, under the "Act" Specific Performance was granted on the basis of court's discretion, not as a matter of right. Under Specific Relief (Amendment) Act, 2018 ("Amendment Act"), specific performance is a rule, i.e., courts have to enforce it. However, it is subject to some exceptions. Under the earlier law, it was mandated that such discretion ought to be used in a principled manner without leaving scope for any arbitrary application.[4]

The "Amendment Act" removes all restrictions and makes specific performance a remedy which is available to every party. The reason as to why specific performance is given primacy could be to discourage a promisor from committing a breach and ensuring enforcement of a moral obligation to honour promise. Moreover, it is also difficult to prove losses and thus order of compensation may not fully compensate.[5]

Specific performance has been made a general rule, i.e., compulsory, by taking away the discretionary powers of the courts. The Section 10 of the "Act" mentioned that when monetary compensation is not adequate or when actual damage cannot be ascertained, then courts "may" enforce specific performance.[6] The word 'may' suggests discretion. Such discretion has often allowed the courts to award damages as a general rule and specific performance as an exception apart from injunctions.[7] However, the "Amendment Act" replaces the word 'may' with 'shall', which suggests it is compulsory.[8] Further, the compensation can no longer be sought in substitution of specific performance, but in addition to it.[9] Under the pre−amended Specific Relief Act, one of the major considerations for grant of specific performance was the adequacy

---

[3] Nilima Bhadbhade, *The Specific Relief (Amendment) Act, 2018: A Hurried Legislation.*

[4] *Katta Sujatha Reddy*, 2022 SCC OnLine SC 1079, ¶ 57.

[5] Expert Committee, *Report of the Expert Committee on the Specific Relief Act, 1963*, at 47–52 (2016).

[6] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 3.

[7] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 4.

[8] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 3.

[9] Charulata, *The Specific Relief (Amendment) Act, 2018*, AGAMA LAW ASSOCIATES (Aug. 23, 2018), https://agamalaw.in/2018/08/23/the-specific-relief-amendment-act-2018/ (last visited Aug. 26, 2025).

of damages under Section 14(1)(a). However, this consideration has now been completely done away with, in order to provide better compensation to the aggrieved party in the form of specific performance.[10]

The judicial understanding of the transformation of specific performance from a discretionary to a statutory remedy can be seen in *Katta Sujatha Reddy v. M/s Siddamsetty Infra Projects Pvt. Ltd.* In this case, appellants entered into agreements to sell their agricultural lands situated in Hyderabad. 90% of the sale consideration was paid by the respondent. The remaining amount was to be paid within 3 months. The respondent, however failed to pay the remaining amount within the stipulated period. A notice was sent by the respondent to the appellant seeking specific performance of the agreement. Thereafter, a second notice was sent. The respondent then filed a suit, seeking specific performance. The trial Court dismissed the suit holding that the plaintiff/purchaser is not entitled for the relief of specific performance.

The plaintiff/purchaser approached the High Court. High Court held that the purchaser was entitled to specific performance as Section 3 of the Amended Act applies to pending proceedings because it is retrospective in nature. Consequently, the court allowed the appeal in part, i.e., vendors have to register the property in favour of the purchaser only to the extent of the amount paid by the purchaser.

Aggrieved by the judgment, both the parties appealed before Supreme Court. Out of the five issues which the court considered, one issue was - Whether the purchaser is entitled to the relief of specific performance?

It was argued on behalf of the purchaser that based on the amendment to Section 10 of the Specific Relief Act, the jurisdiction to grant specific performance of a contract is no longer discretionary. Therefore, the Courts have to grant the relief, unless the case falls within the statutorily carved out exceptions. On behalf of the vendors it was argued that granting specific relief only to the extent of 90% suggests that the purchaser was not ready and willing to perform the contract thus not entitled to the decree.

On the above issue Supreme Court held that 2018 Amendment Act was prospective and cannot be applied to the present facts. Court stated that under the earlier law, grant of specific performance was discretionary, however it was mandatory that such discretion has to be used in a principled manner without leaving scope for any arbitrary application. The Court further

[10] *Katta Sujatha Reddy*, 2022 SCC OnLine SC 1079, ¶ 50.

held that purchaser failed to prove the continuous readiness and willingness required under Section 16(c) of the Specific Relief Act, within the contractual period prescribed for performance. Consequently, the purchaser was held not entitled to specific performance.

Therefore, the "Amendment Act" has changed the nature of specific performance from a discretionary remedy to a statutory remedy. Earlier the grant of specific performance was not uniform, and its discretionary nature created uncertainties. Specific performance now has to be granted by the courts unless the claim for relief is barred under the limited grounds provided by the statute (More in section 3 **Substitution of a new remedy, i.e., Substituted Performance**). This change will ensure that non-defaulting party obtains the performance which will in turn provide greater protection of contractual expectations. The Supreme Court described it as a significant step, and that it will help in the growth of commercial law as the sanctity of contracts was reinforced with parties having to comply with contracts and thereby reducing efficient breaches.[11] It will also discourage contract breakers and force them to perform it because cost of performance will be less than cost of damages.

2. AMENDMENT TO THE LIST OF CONTRACTS WHICH CANNOT BE ENFORCED SPECIFICALLY

The High court of Judicature at Allahabad in *Mukesh Singh & Ors. v. Saurabh Chaudhary & Anr.* observed that newly substituted Section 14 of the "Act" provides a 'negative list', that is, it lists the contracts which could not be enforced specifically, i.e., where compensation was adequate relief; where court cannot enforce specific performance because contract has minute or numerous details or which is dependent on the personal qualifications or volition of the parties, or otherwise; a determinable contract; a contract where performance involves performance of such a continuous duty which the court cannot supervise.[12]

The "Amendment Act" amends Section 14 and adds new categories of contracts to the list, those are, if aggrieved has obtained substituted performance then contract cannot be specifically enforced; where contract involves performance of such a continuous duty which

[11] *Katta Sujatha Reddy*, 2022 SCC OnLine SC 1079, ¶ 49.

[12] *Specific Relief Act*, No. 47 of 1963, § 14.

the court cannot supervise; where contract depends on personal qualification of an individual; and a determinable contract.[13]

The "Amendment Act" removed the earlier condition that if compensation was an inadequate relief, specific performance can be granted. Thus, even if compensation is adequate specific performance has to be granted.

3. SUBSTITUTION OF A NEW REMEDY, I.E., SUBSTITUTED PERFORMANCE

If a contract is not performed by a party, then the "Amendment Act" provides that the affected party can substitute performance through a third party. However, as per the amendment to Section 20 (3) once substituted performance is invoked, then the affected party losses the claim of specific performance.[14]

The provision of substituted performance enables the parties to get the contract performed even when there is a breach by a third party or agency. If contract is performed then affected party does not have to go through litigation to ensure the fulfilment of contractual obligation, and as a result the party will not suffer delays of litigation. Moreover, there is a notice period of thirty days, which will prevent or reduce the chances of the breach of contract.[15]

Amended Section 20 provides for substituted performance of a contract, when a contract is broken, the suffering party is entitled to get the contract performed by a third party or by his agency and can recover expenses and cost including compensation from the party. This provision has been provided as an alternative remedy at the option of the party who suffers the broken contract.[16]

Amended Section 14 provides a negative list of contracts which cannot be specifically enforced. Clause (a) of Section 14 provides that if party to the contract has obtained substituted performance of contract in accordance with the provisions of Section 20, the contract cannot

---

[13] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 5.

[14] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 10.

[15] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 10.

[16] *Mukesh Singh & Ors. v. Saurabh Chaudhary & Anr.*, 2019 SCC OnLine All 5523, ¶ 29.

be specifically enforced. Similarly substituted clause (a) to the Section 16 provides that specific performance cannot be enforced in favour of such a person who has obtained substituted performance under Section 20.

Based on the above reasoning the High court of Judicature at Allahabad in *Mukesh Singh & Ors. v. Saurabh Chaudhary & Anr.* concluded that discretionary jurisdiction of Courts to decree specific performance was done away by newly substituted Section 20.

4. TIMELINES FOR DISPOSAL OF SUITS ARE FIXED

If timeline of a suit is fixed it will naturally reduce the delays and will ensure the efficient disposal of the suits. As per the new section substituted by the "Amendment Act" the court has to dispose of any suit filed under the Specific Relief Act, in a period of one year. This period can be extended only if court provides sufficient reasons. The timeline begins from the time when a summon is served to the defendant.[17] However, the timeline can only be followed if courts have sufficient manpower and infrastructure.

5. RECOVERY OF POSSESSION OF IMMOVABLE PROPERTY

Earlier only two types of persons can recover the possession of an immoveable property by filing a suit, namely, dispossessed person and, a person who claims through that disposed person.[18] The "Amendment Act" adds another category of person, that is the person through whom the dispossessed person has been in possession of the property.[19]

The amendment added "through whom he has been in possession or any person", whereas earlier provision referred only to "he or any person". Before the 2018 amendment, if a person was forcibly dispossessed of a property, the dispossessed person or a person claiming through him could institute a suit for such dispossession, it is evident from the words "he or any person claiming through him". As a result, those persons through whom aggrieved party exercised possession, such as, the owner, agent, tenant or other lawful occupants could not file the suit for recovery of the property. However, with the addition of the words "through whom he has been in possession or any person" the scope of Section 6 has been widened. The amendment acknowledges that possession may be exercised through another person, and a person who was

---

[17] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 10.

[18] *The Specific Relief (Amendment) Bill, 2017*, https://prsindia.org/billtrack/the-specific-relief-amendment-bill-2017 (last visited Aug. 25, 2025).

[19] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 2.

in possession of the property through an agent, tenant, licensee, caretaker, or similar lawful occupant can now file a suit for recovery.

6. CONTRACTS RELATED TO INFRASTRUCTURE PROJECTS

Section 20A(1) has been added by the "Amendment Act", it restrains the courts from granting injunction in suits of those contracts which are related to infrastructure projects, if upon granting injunction the performance of contract gets obstructed or, continuance or completion of the project gets delayed.[20]For these projects the "Amendment Act" added a schedule, which categorized the projects under five sectors, which are, transport; energy; water and sanitation; communication; social and commercial infrastructure.[21] Section 20A (2), (3) empowers Central Government to amend the list through notification.

It may be observed that the "Amendment Act" begins Section 20A with 'No injunction shall be granted by the court', which shows that the power of the courts in respect of this which they earlier enjoyed has been expressly taken away. It has been stated that such amendment will prevent obstruction or delay in infrastructure projects, and this is imperative because the projects serve a larger public interest. However, this blanket prevention raises public policy concerns, suppose if there is an injunction application of a Bonafide cause, the courts cannot entertain it now. By this amendment court's intervention has been reduced.[22]

7. SPECIAL COURTS FOR INFRASTRUCTURE PROJECTS

The "Amendment Act" substituted Section 20B which states that State Government in consultation with Chief Justice of the High Court, designate few Civil Courts as Special Courts. These courts will deal with the cases of infrastructure projects under Specific Relief Act.[23]

Consequently, the Union Home Ministry passed an order on December 7, 2018, through which Lieutenant governors (LGs) and administrators of Union territories have been

---

[20] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 10.

[21] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 14.

[22] Ran Chakrabarti et al., *The Specific Relief (Amendment) Act, 2018: Overview & Implications*, MONDAQ (Sept. 17, 2018), https://www.mondaq.com/india/contracts-and-commercial-law/736966/the-specific-relief-amendment-act-2018-overview-implications (last visited Aug. 25, 2025).

[23] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 10.

empowered to designate civil courts as special courts to adjudicate contracts relating to infrastructure projects.[24]

8. COURTS EMPOWERED TO HAVE EXPERT OPINION

A new section has been substituted, i.e., Section 14A by the "Amendment Act". As per this amendment wherever courts deem necessary they can have expert opinion. The expert will assist the court on a specific issue relating to the suit. The parties will have to pay the amount which the court had fixed.[25] The amendment provides an independent and impartial opinion.

The Supreme Court in *M.P. Rajya Tilhan Utpadak Sahakari Sangh Maryadit v. Modi Transport Service,* clarified the role of an expert. The Court observed that an expert's opinion/commissioner's report merely assists the court and does not bind the Court. The parties can contest an expert opinion/commissioner's report, and the court, after hearing objections, can determine whether or not rely upon such an expert opinion/commissioner's report.[26]

CONCLUSION

The Specific Relief (Amendment) Act, 2018, aims at removing difficulties faced in enforcing contracts. It speeds up the disposal of pending cases by fixing the timeline, which will in turn improve India's rank in ease of doing business. Although fixation of timeline to eighteen months is laudable, but what would happen at the end of this period?

Changes like making the grant of specific performance compulsory will ensure contractual enforcement. However, in certain cases specific performance is impracticable, such as when the defaulting party is facing financial distress or is insolvent. In such a case monetary compensation can be meaningless too, unless a third party takes the guarantee of the obligations of the defaulter.[27] The "Amendment Act" provides a party to claim both specific performance

---

24 *Centre Empowers Lt Governors, Administrators to Set Up Special Courts*, NDTV (Dec. 7, 2018), https://www.ndtv.com/india-news/centre-empowers-lt-governors-administrators-to-set-up-special-courts-1958986 (last visited June 16, 2026).

25 *Specific Relief (Amendment) Act*, No. 18 of 2018, § 5.

26 *M.P. Rajya Tilhan Utpadak Sahakari Sangh Maryadit, Pachama, District Sehore & Ors. v. M/s Modi Transport Service*, Civil Appeal No. 1973 of 2022, ¶ 33 (India).

27 Ran Chakrabarti, *India – The Specific Relief (Amendment) Act, 2018: Overview & Implications*, CONVENTUS LAW (Oct. 17, 2018), https://conventuslaw.com/report/india-the-specific-relief-amendment-act-2018/ (last visited Aug. 25, 2025).

and compensation.[28] However, if court refuses to grant specific performance, the plaintiff also losses the right to claim for compensation because CPC prevents from bringing another suit. Thus, in such cases plaintiff will be left with no remedy.[29]

Additionally, special courts and experts will speed up the dispute resolution time, which in turn reduce courts' burden. It also reduces uncertainties in contract. However, lack of proper resources will render special courts of little or no use. Due to overlap between the jurisdiction of special courts for infrastructure projects and general commercial disputes of infrastructure and construction contracts, the "Amendment Act" may affect the jurisdiction of courts under the "Commercial Courts Act, 2015"[30]

The Act also has redundant provisions, Section 14 (a) and 16 (a). Both provisions state which amended section 20 (3) states, that is, specific performance cannot be granted if a party has obtained substituted performance.[31]

---

[28] *Specific Relief (Amendment) Act*, No. 18 of 2018, § 11.

[29] Nilima Bhadbhade, *The Specific Relief (Amendment) Act, 2018: A Hurried Legislation.*

30 Ran Chakrabarti et al., *The Specific Relief (Amendment) Act, 2018: Overview & Implications*, MONDAQ (Sept. 17, 2018), https://www.mondaq.com/india/contracts-and-commercial-law/736966/the-specific-relief-amendment-act-2018-overview-implications (last visited Aug. 25, 2025).

[31] Nilima Bhadbhade, *The Specific Relief (Amendment) Act, 2018: A Hurried Legislation.*