

LEXPORT NEWSLETTER

SEPTEMBER 2025 | Week 3

Dear Readers,

This weekly newsletter offers you a concise analysis of important developments, notable judgments, and noteworthy regulatory amendments and developments in the corporate and financial sectors.

This newsletter will cover updates inter alia from **Banking Laws & FEMA, Corporate Laws, Securities Laws and Capital Markets, Competition Laws, Indirect Taxes, Customs and Foreign Trade, Intellectual Property Laws, and Arbitration Laws.**

Acknowledging the significance of these updates and the need to stay informed, this newsletter provides a concise overview of the various changes brought in by our proactive regulatory authorities and the courts.

Feedback and suggestions will be much appreciated. Please feel free to write to us at mail@lexport.in.

Regards,
Team Lexport



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Indirect Tax

Delhi High Court on Deduction of Employees' PF/ESI Contributions

Case title: Woodland (Aero Club) Private Limited v. Assistant Commissioner Of Income Tax, Circle 49(1), New Delhi

The Delhi High Court has clarified the conditions for claiming tax deductions on employees' contributions towards Provident Fund (PF) and Employees' State Insurance (ESI). An employer can claim a deduction under Section 36(1)(va) of the Income Tax Act only if the employees' contributions, held in trust, are deposited with the relevant authority on or before the statutory due date prescribed under the applicable labour law (EPF Act/ESI Act).

The Court emphasized that employees' contributions are distinct from employer's contributions. While employer contributions are treated differently, employees' contributions are considered income held in trust by the employer and must be deposited in line with welfare enactments.

The appellant argued that deductions should be allowed if the amounts were deposited before the ITR due date, relying on precedents and Explanation 5 to Section 43B of the Income Tax Act. However, the Court held that these arguments are not applicable. The critical factor for deduction eligibility is timely deposit under the respective labour statute, not merely before filing of the ITR.

Thus, non-deposit by the statutory due date results in disallowance of the deduction, regardless of when the payment was eventually made. The decision reinforces the importance of compliance with labour law deadlines for tax benefit claims.



Shelley Singh

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Quick Bites

**PF & ESI: Deposit by Due Date or Lose
Income Tax Deduction - Delhi HC**

- Employees' PF/ESI Contributions are Held in Trust—Timely Deposit Under EPF/ESI Law is Mandatory
- Section 36(1)(Va): Deduction Allowed Only if Deposited by Statutory Due Date, Not Just ITR Due Date
- Delhi High Court Reinforces: Employer's Compliance = Employee Protection + Tax Benefit

Delhi | Bengaluru www.lexport.in

Indirect Tax

Supreme Court Sets Aside Disqualification For Non-Submission Of JV Agreement Not Mandated In NIT

The Supreme Court ruled that a bid cannot be rejected for not producing a document not required by the Notice Inviting Tender (NIT).

A bench of Justices Surya Kant and Joymalya Bagchi set aside the MP High Court's decision upholding the disqualification of Maha Mineral Mining & Benefication Pvt. Ltd. for not submitting a Joint Venture Agreement. The Court held that the NIT only required a Work Execution Certificate, which was duly provided, and that tender authorities cannot add new conditions beyond the NIT.

The case was partly allowed and remanded to the High Court to decide the limited issue of washery capacity under Clause 5(B).

Case: Maha Mineral Mining & Benefication Pvt. Ltd. v. MP Power Generating Co. Ltd. & Anr.
Citation: 2025 LiveLaw (SC) 885



Siddharth Dewalwar

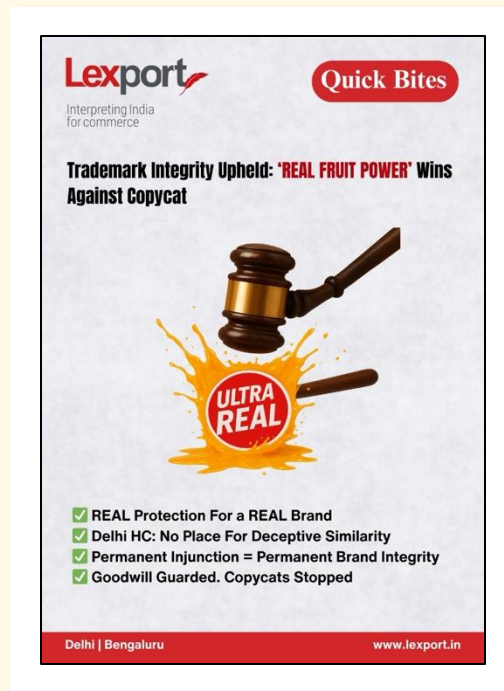
Intellectual Property Rights

Delhi High Court Grants Permanent Injunction to Dabur in 'Real' Trademark Dispute

The Delhi High Court, in a suit filed by Dabur India Ltd., granted a permanent injunction against Real Hindustan Beverages for infringing the Plaintiff's registered trademark 'REAL FRUIT POWER' by marketing beverages under the mark 'ULTRA REAL FRUIT ENERGY'. Justice Manmeet Pritam Singh Arora observed that the impugned mark and logo were deceptively similar, adopting the same font, red color scheme, and circular representation of "REAL," thereby attempting to ride on Dabur's goodwill. Since the defendants failed to file their written statement and remained absent from proceedings, the Court held that Dabur had established a clear case for summary judgment under Order XIII-A CPC. The interim injunction of April 28, 2022 was merged into the final decree, while Dabur chose not to press for damages or costs. [Dabur India Ltd. v. Real Hindustan Beverages & Ors., CS(COMM) 274/2022]



Anushka Tripathi



Article: Beyond Authorship: Enforcing Promissory Estoppel and Unlocking Moral Recognition in *Fox Star Studios v. Aparna Bhat*

In this article, our Partner, Ms. Rajlatha Kotni, along with Associate Ms. Swagita Pandey and Intern Mr. Sourabh Sahu, analyze the Hon'ble Delhi High Court's observations in the Chhapaak movie case on the significance of the promissory estoppel application; and the evolution of moral rights in Indian cinema.

Link: <https://shorturl.at/E6tUE>

Trademark Litigation Digest

This Compendium is a consolidated repository of Trademark litigation and appellate adjudicated before the Intellectual Property Division (IPD) of the Delhi High Court. This compendium is the result of a collaborative effort by the dedicated team at Lexport, under the guidance of Ms. Rajlatha Kotni (Partner), with contributions from Ms. Swagita Pandey (Associate) and Ms. Manasvi Vaid (Intern, Symbiosis Law School, Noida).

Link: <https://shorturl.at/DFu04>

Litigation

Union of India Vs. Bhular Construction Company & Others, Matters under Article 227 No. – 8841 of 2023

The Hon'ble Allahabad High Court, relying on Kailash Chandra Vs. Ram Naresh Gupta, held that conversion of proceedings is permissible where the original proceeding is not maintainable, but another remedy lies. It observed that such conversion can be made subject to limitation and court fee requirements. Accordingly, the Court converted the present petition under Article 227 into an appeal under Section 37 of the Arbitration and Conciliation Act.



Shyam Kishor Maurya

Amit Sunarlal Shahu v. Hare Madhav Electronics [Criminal Appeal (Stamp) No. 2237 of 2023]

The Bombay High Court has ruled that a complaint cannot be dismissed under Section 256 of the Criminal Procedure Code merely because the complainant or counsel was absent on a few hearing dates. Justice M. M. Nerlikar delivered the judgment in a criminal appeal challenging the order of the Additional Chief Judicial Magistrate, which had dismissed a cheque dishonour complaint under Section 138 of the Negotiable Instruments Act and acquitted the accused due to the complainant's absence on certain dates.

The appellant argued that he had diligently attended proceedings, that the matter was once referred to the Lok Adalat, and that his absence on 5 and 7 January 2023 was due to a genuine impression of adjournment after the Presiding Officer was on leave in December. The High Court, after examining the Roznama, found that the complainant and counsel had regularly attended and that absence on a few dates did not justify dismissal.

The Court emphasized that natural justice requires a fair opportunity to prosecute cases on merits, and a harsh or hyper-technical approach undermines procedural safeguards. Referring to precedent, it reiterated that both parties must be allowed to contest on merits. Consequently, the Magistrate's order was quashed, and the complaint restored.



Ananya Jain

Litigation

Jupally Lakshmikantha Reddy Versus State of Andhra Pradesh & Anr., SLP (Crl.) No.9744 of 2024

The Supreme Court has quashed a cheating case against the head of an educational institute accused of using a forged Fire Department NOC to obtain college affiliation. A bench of Justices BV Nagarathna and Joymalya Bagchi held that no offence of cheating or forgery was made out, as a Fire Department NOC was not legally required for educational buildings below 15 metres, and the alleged document did not materially influence the grant of affiliation.

The appellant, running a college in a 14.20-metre-high building, was accused based on a complaint by the District Fire Officer, leading to a charge sheet under Section 420 IPC. However, under the National Building Code, 2016, such NOCs were unnecessary for buildings under 15 metres. The High Court had also earlier directed that affiliations be granted without insisting on NOCs in such cases.

The Supreme Court examined the ingredients of cheating under Section 420 IPC, emphasizing that dishonest inducement must cause wrongful gain or loss. Since recognition was not dependent on an NOC, the alleged misrepresentation was immaterial. Similarly, offences under Sections 468 and 471 IPC were held inapplicable, as there was no dishonest intention. The Court set aside the High Court's decision and allowed the appeal.



Ananya Jain

About Us

Lexport is a full-service Indian law firm offering consulting, litigation and representation services to a range of clients.

The core competencies of our firm's practice *inter alia* are Trade Laws (Customs, GST & Foreign Trade Policy), Corporate and Commercial Laws and Intellectual Property Rights.

The firm also provides Transaction, Regulatory and Compliance Services. Our detailed profile can be seen at our website www.lexport.in.

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