

LEXPORT NEWSLETTER

NOVEMBER 2025 | Week 1

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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Intellectual Property Rights

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Quick Bites

Delhi High Court Says "WOW" Belongs to WOW MOMO!



In a Decisive Win for Brand Distinctiveness, the Delhi High Court Restrained the Use of "WOW BURGER", Ruling that "WOW MOMO" Holds Exclusive Rights Over its Inventive "WOW + Food Item" Format.

Applying the Anti-Dissection Rule, the Court Found "WOW" to Be the Dominant Feature -- and that "WOW BURGER" Created a Clear Likelihood of Confusion Under Section 29(2)(b) of the Trade Marks Act, 1999.

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Hon'ble Delhi High Court Upholds Trademark Rights of 'WOW MOMO'; Restrains Use of 'WOW BURGER'

In the ongoing Wow Momo vs. Wow Burger trademark dispute, the Hon'ble Delhi High Court division bench granted an injunction in favour of Wow Momo, restraining the defendants from using the mark 'WOW BURGER' or any deceptively similar mark. The Hon'ble Court held that both marks must be compared as a whole and found that Wow Momo's format pairing the exclamation "WOW" with a food item was distinctive and inventive. Applying the anti-dissection rule, the Hon'ble Court observed that 'WOW' was the dominant feature, while the suffixes ('MOMO' and 'BURGER') merely described the products. The use of 'WOW BURGER' created a strong likelihood of confusion, amounting to infringement under Section 29(2)(b) of the Trade Marks Act, 1999. The Hon'ble Court further held that disclaimers on individual elements of a composite mark do not dilute overall protection. Consequently, the earlier order denying injunction was set aside. [Wow Momo Foods Private Limited vs Wow Burger & Anr (FAO(OS) (COMM) 143/2025)]



Ananya Singh

Hon'ble Delhi High Court Protects 'KHADI' Trademark and Restrains Unauthorized Use of 'KHADI TRADITIONAL'

The Khadi and Village Industries Commission (KVIC) secured an injunction from the Hon'ble Delhi High Court against Sa Services Gramodyag Sanstha for infringing its well-known trademark 'KHADI'. Although the defendants had been granted limited permission to use 'KHADI' for textiles, they were found misusing the mark for cosmetics under 'KHADI TRADITIONAL'. The Court held that such use exceeded the scope of authorization and amounted to infringement by subsuming the 'KHADI' mark entirely. Finding a strong prima facie case, balance of convenience, and irreparable harm in favour of KVIC, the Hon'ble Court restrained the defendants from manufacturing, selling, or advertising any goods under the impugned mark, directed suspension of the domain khaditraditional.com, and ordered deletion or renaming of related social media handles. [KHADI AND VILLAGE INDUSTRIES COMMISSION v. SA SERVICES GRAMODYOG SANSTHA AND ORS. (CS(COMM) 1123/2025)]



Ananya Singh

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Delhi High Court Upholds KVIC's Exclusive Rights Over 'KHADI'



- KVIC Wins Injunction Against Misuse of the 'KHADI' Trademark
- Defendant's Use of 'KHADI TRADITIONAL' for Cosmetics Found Unauthorized
- Court Orders: Stop Sale, Suspend Domain, Remove Social Media Handles
- Ruling Reaffirms: Only Genuine KHADI -- Authentic, Approved, and Protected

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Intellectual Property Rights



Delhi High Court Protects Hrithik Roshan's Personality Rights

The Delhi High Court has granted protection to the personality rights of Bollywood actor Hrithik Roshan in the matter of Hrithik Roshan v. Ashok Kumar/John Doe & Ors. The actor approached the Court seeking relief against the unauthorized creation and circulation of morphed images, memes, AI-generated content, and merchandise that exploit his image, likeness, voice, and other personality attributes to mislead or deceive the public.



Swagita Pandey

Delhi High Court Restrains Use of 'Novartis' Mark by Footwear Seller, Orders Takedown of Online Listings

The Delhi High Court granted an ex parte ad-interim injunction in favour of Novartis AG and Novartis Healthcare Pvt. Ltd., restraining the Defendants from manufacturing or selling footwear under the mark 'NOVARTIS'. Justice Tejas Karia held that the defendants' use of an identical mark for unrelated goods like slippers and shoes was prima facie dishonest and intended to ride on the reputation of Novartis, whose mark is well-known in India and globally. The Court directed major e-commerce platforms including Amazon, Flipkart, Meesho, Ajio and Desertcart to disable infringing listings within 72 hours. It also appointed a Local Commissioner to raid the defendants' premises in Agra, seize counterfeit stock, inspect business records, and ensure compliance with the injunction. [Novartis AG & Anr. v. Varun International & Ors., CS(COMM) 1065/2025]



Anushka Tripathi



Quick Bites

When a Shoe Tried to Step on a Global Name



- Delhi High Court Protects The Integrity Of The 'Novartis' Trademark
- Restrains Unauthorized Footwear Sellers From Using The Mark
- Directs Takedown Of Infringing Listings Within 72 Hours
- Local Commissioner Appointed To Seize Counterfeit Stock

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Intellectual Property Rights

Hon'ble Delhi High Court Grants Ex-Parte Injunction to CROCS Against Questsole for Trademark, Design, and Patent Infringement

The Hon'ble Delhi High Court granted an ex-parte ad-interim injunction in favour of Crocs Inc. and its affiliate against Questsole for infringing their patent (IN 271337), registered trademarks 'CROCS' and 'JIBBITZ', and design No. 349374-001 of their distinctive geometric clogs. The defendants were found selling infringing "charms for clog-style footwear" using deceptively similar marks such as 'CROCKS', 'CROC', and 'JIBIT', and even releasing defamatory videos disparaging Crocs' products. The Hon'ble Court held that the defendants' actions were dishonest and intended to exploit Crocs' goodwill, causing consumer confusion and reputational harm. The Hon'ble Court restrained the defendants from using the impugned marks, designs, and trade dress, and ordered seizure of the infringing goods. [Crocs Inc & Anr vs Sagar Doijode Trading As Questsole & Ors (CS(COMM) 1125/2025)]



Ananya Singh



Quick Bites

Powering Protection: When Innovation Meets Trademark Justice



- The Delhi High Court Safeguards YC Electric's "YATRI" Mark from Imitation
- The Court Held that "E-YATRI" Creates Deceptive Similarity and Dilutes Brand Distinctiveness
- Trademark Protection Ensures Fair Competition and Guards Innovation in India's EV Sector

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Delhi High Court Restrains Use of 'Yatri' Mark by E-Rickshaw Makers, Finds Deceptive Similarity with YC Electric Vehicle's Brand

The Delhi High Court granted an ex parte ad-interim injunction in favour of YC Electric Vehicle, restraining the defendants from using the marks 'YATRI', 'E-YATRI', and related logos for electric rickshaws and similar vehicles. Justice Manmeet Pritam Singh Arora held that the defendants' marks were visually and phonetically identical to YC Electric's registered trademark 'YATRI', which has been in use since 2014. The Court observed that the defendants' conduct showed clear intent to mislead consumers and exploit the plaintiff's goodwill, especially since the impugned branding was nearly indistinguishable and targeted the same customer base. Finding a strong prima facie case of infringement and passing off, the Court restrained the defendants and their associates from using any identical or deceptively similar mark in any form, online or offline. [YC Electric Vehicle v. Iqbal, Proprietor of M/s K.G.N. & Anr., CS(COMM) 1114/2025]



Anushka Tripathi

Intellectual Property Rights

Hon'ble Delhi High Court Grants Injunction to Samsung Against Sale of Counterfeit "SAMSUNG GURU" and "SAMSUNG DUOS" Phones

The Hon'ble Delhi High Court granted a permanent injunction in favour of Samsung Electronics in a trademark infringement suit against multiple wholesalers and online sellers dealing in counterfeit mobile phones bearing the marks "SAMSUNG GURU" and "SAMSUNG DUOS." The Hon'ble Court held that the defendants' unauthorized use of the "SAMSUNG" mark on counterfeit goods amounted to deliberate infringement, likely to mislead consumers and damage Samsung's goodwill. Local Commissioners were appointed to inspect the defendants' premises, seize counterfeit goods and related materials, and obtain account records. [Samsung Electronics Co., Ltd. & Anr vs M/S G/S Traders & Ors (CS(COMM) 1105/2025)]



Ananya Singh



Hon'ble Delhi High Court Grants Ex Parte Injunction to Reckitt Benckiser Against Infringement of 'HARPIC', 'COLIN', 'LIZOL', and 'DETTOL' Marks

The Hon'ble Delhi High Court granted an ex parte ad-interim injunction in favour of Reckitt Benckiser in a suit against entities manufacturing and selling hygiene products deceptively similar to its well-known brands HARPIC, COLIN, LIZOL, and DETTOL. The defendants were found using identical bottle shapes, trade dress, and marks to market infringing goods and online videos to mislead consumers. The Hon'ble Court held that such imitation exploited Reckitt's goodwill and caused confusion to the average consumer. Finding a strong prima facie case, balance of convenience, and irreparable harm in favour of the plaintiffs, the Hon'ble Court restrained the defendants from manufacturing, selling, or advertising any infringing products. It also ordered the removal of infringing videos and appointed Local Commissioners to inspect. [Reckitt And Colman (Overseas) Hygiene vs Ashok Kumar(S)/John Does & Ors (CS(COMM) 1079/2025)]



Ananya Singh

Intellectual Property Rights

USPTO Director Issues Informative Decision Addressing Inconsistent Claim Constructions

On November 5, 2025, USPTO Director John Squires designated as informative a Director Review decision in *Tesla, Inc. v. Intellectual Ventures II LLC* (IPR2025-00340). The decision vacated and denied institution of Tesla's inter partes review petition, relying on the newly designated precedential ruling in *Revvo Technologies Inc. v. Cerebrum Sensor Technologies, Inc.* In *Revvo*, Director Squires initiated sua sponte review to address inconsistent claim constructions advanced by a petitioner across district court and PTAB proceedings. He clarified that while PTAB rules do not forbid differing constructions, petitioners must explain why alternative positions are warranted. Applying *Revvo*, Director Squires found Tesla's justification—namely that indefiniteness challenges are barred in IPRs, insufficient. He noted that such reasoning effectively invites petitioners to pursue inconsistent invalidity arguments in parallel forums. Squires explained that Tesla's explanation might have sufficed had it demonstrated that a person of ordinary skill would still understand how the prior art satisfied the claim limitation, even with alleged indefiniteness. Director Squires concluded that permitting petitioners to advance inconsistent claim constructions "detracts from the Office's goal of providing greater predictability and certainty in the patent system." Accordingly, the PTAB's institution decision was vacated and the petition denied.



Swagita Pandey



Litigation

Ahmed Mansoor and others v. The State, CRIMINAL APPEAL NO. 4505 /2025

The Supreme Court quashed the arrest and remand of three individuals booked under the Unlawful Activities (Prevention) Act (UAPA) and IPC, ruling that the mandatory requirement of providing written grounds of arrest was not met. A Bench of Justices M.M. Sundresh and Vipul M. Pancholi set aside the Madras High Court's order, holding that merely explaining arrest grounds during remand or including them in the remand report does not satisfy Section 43B of the UAPA. The accused, allegedly linked to the Hizb-ut-Tahrir (HuT) organization and charged with promoting communal disharmony and conspiracy, argued that no written grounds were given at or after arrest. The Court rejected the NIA's claim that oral explanation and service to counsel sufficed, citing precedents in Pankaj Bansal, Prabir Purkayastha, and Vihaan Kumar, which affirm the mandatory nature of this safeguard. The arrests and remand were quashed, though the NIA was permitted to act lawfully if warranted.



Ananya Jaim

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Quick Bites

Written Grounds. Fundamental Safeguard. Not a Formality



The Supreme Court, in *Ahmed Mansoor & Ors. v. The State*, Quashed Arrests Under the UAPA for Failing to Provide Written Grounds of Arrest. The Bench Held that Oral Explanations or Remand Mentions Don't Meet the Legal Mandate, Reaffirming that Rights Must Be Written, not Just Spoken.

A Strong Reminder that Procedural Fairness is the Backbone of Justice.

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Quick Bites

Fair Correction, Not Harsh Recovery – J&K HC Strikes a Balance



The Jammu & Kashmir High Court Protected Retired Employees from Recovery of Wrongly Paid Dues while Permitting Re-Fixation of Future Pension – Reaffirming that Justice Lies in Balance, not Burden.

Balancing Fairness with Accountability – a Judgment Rooted in Justice.

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Union Territory of J&K & Ors. vs. Abdul Rashid Malik & Ors., WP(C) No. 1201/2025

The Jammu & Kashmir High Court held that recovery of wrongly paid benefits from retired Class-IV employees is impermissible, but correction of future pay and pension based on erroneous fixation is allowed. The Division Bench of Justices Sanjeev Kumar and Sanjay Parihar ruled that no employee, even after retirement, has a vested right to continue receiving benefits arising from an employer's mistake. The case involved Jal Shakti Department employees who were mistakenly granted a higher pay scale under a withdrawn SRO. While the Central Administrative Tribunal had quashed recovery and ordered restoration of higher pay, the High Court partly set aside that order. Relying on *State of Punjab v. Rafiq Masih*, the Court upheld the bar on recovering past payments from retired employees but allowed the government to re-fix their pay and pension correctly. The petition was partly allowed, and recovery of amounts already paid was prohibited.



Ananya Jaim

Litigation



Quick Bites

No Justice Without Hearing: Madras HC Restores Fair Play in Arbitration



The Madras High Court Reaffirmed that Denial of Opportunity to be Heard Violates Natural Justice. When the Arbitral Tribunal Proceeded Despite Postponement Requests, the Court Stepped in – Setting Aside the Award and Allowing the Parties a Fair Chance to Present Their Case Again.

Justice Delayed isn't Justice Denied – When Fairness is Restored, Trust in Arbitration Grows.

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M. Maher Dadha Vs. Mr. S. Mohanchand Dadha and Ors., Original Petition Nos.80 of 2006 & 862 of 2007

The Hon'ble Madras High Court noted that the Petitioner had requested additional time to verify account statements and sought postponement of the hearing, but the Arbitral Tribunal proceeded without accommodating these requests. Despite letters dated 29.09.2005 and 01.10.2005 seeking rescheduling, the Tribunal continued and passed the award on 09/10.10.2005. The Court held that this denial of a fair opportunity violated the principles of natural justice. Accordingly, the impugned award was set aside, granting liberty to the parties to approach the same Arbitral Tribunal afresh.



Shyam Kishor Maurya



ANNAMALAI VERSUS VASANTHI AND OTHERS, SLP (C) No. 26848-26849/2018

The Supreme Court clarified when a plaintiff seeking specific performance must also seek a declaration that the contract's termination was invalid. A Bench of Justices J.B. Pardiwala and Manoj Misra distinguished between termination and wrongful repudiation. If a contract expressly confers a right to terminate and a party exercises it, the termination has prima facie legal validity, creating doubt about the contract's subsistence, thus requiring a prior declaratory relief before specific performance. However, if termination lacks contractual basis or the right to terminate was waived, for example by accepting further consideration, it amounts to wrongful repudiation, and the plaintiff can directly seek specific performance. In the case at hand, the vendor accepted additional payment after the contract period, waiving the right to terminate. The Court held this to be wrongful repudiation and restored the First Appellate Court's decree for specific performance, setting aside the High Court's contrary decision.



Ananya Jain



Quick Bites

Termination or Repudiation? Supreme Court Draws the Line

TERMINATION



REPUDIATION



- Termination Ends a Contract – Repudiation Denies It. The Court Says, Waiver Keeps It Alive.
- Accepting Payment After Expiry = Waiving Termination – Contract Still Enforceable.
- When You Waive Your Right to Terminate, You Keep the Contract Breathing.
- Valid Termination Closes Doors, Wrongful Repudiation Keeps Them Open for Justice.
- The Supreme Court Draws the Line – Termination Kills, Repudiation Revives.

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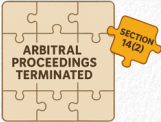
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Quick Bites

Section 14(2): Completing the Puzzle of Justice



- Delhi High Court: Termination Under Section 25(A) is Procedural, not a Final Award
- Proceedings Can Be Revived Under Section 14(2) – Restoring the Right to be Heard
- Justice Paused is not Justice Denied – the Missing Piece Can Still Fit
- Mecwel Constructions Pvt. Ltd. V. GE Power Systems India Pvt. Ltd. (2025)

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Mecwel Constructions Pvt. Ltd. Vs. GE Power Systems India Pvt. Ltd., O.M.P. (T) (COMM.) 38/2025

The Hon'ble Delhi High Court, relying on the Supreme Court judgment in Lalitkumar V. Sanghavi, held that orders terminating arbitral proceedings due to impossibility of continuation fall under Section 32(2)(c) and can be challenged under Section 14(2), as such orders do not adjudicate the rights of the parties and therefore cannot be treated as arbitral awards. It rejected the earlier view in Awasthi Constructions and concurred with the Delhi High Court's decision in PCL Suncon, confirming that orders under Section 25(a) are procedural and not awards. The Court also noted, relying on Gangotri Enterprises, that such termination orders only end the arbitrator's mandate regarding those claims but may be revived upon compliance. Accordingly, the petitions were allowed, and the arbitral proceedings were ordered to be revived before the same arbitrator.



Shyam Kishor Maurya

Sarvesh Security Services Pvt. Ltd. Vs. Institute of Human Behaviour & Allied Science (IHBAS), FAO (OS) (COMM) 164/2025

The Hon'ble Delhi High Court held that its power under Section 29A does not extend to validating an arbitral award that is passed after the expiry of the arbitrator's mandate. The mandate may be extended either before or after expiry, but only if the arbitral proceedings are still pending and the award has not yet been delivered. Relying on Power Grid Corporation, the Court clarified that where an extension application is filed before the award is made, the award may be validated, but if filed after the award, the petition is not maintainable. Since in this case the award was written, signed and dated after the mandate had expired, it was held to be void and the appeal was dismissed.



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Quick Bites

Justice Has a Timeline Section 29A Draws the Line



- Delhi High Court in Sarvesh Security Services Pvt. Ltd. V. IHBAS Clarified the Limits of Section 29A of the Arbitration and Conciliation Act
- The Court Held that its Power Does Not Extend to Validating an Award Passed After the Arbitrator's Mandate Expires
- The Mandate Can Be Extended Before or After Expiry Only if Proceedings are Still Pending
- Once an Award is Written, Signed, and Dated Post-Expiry, it Becomes Void and Unenforceable

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Litigation

Refusal to Marry Cannot Be Treated as Instigation for Suicide: Supreme Court Quashes FIR for Abetment

The Supreme Court has ruled that mere refusal to marry does not constitute “instigation” for suicide under Section 107 IPC, and cannot attract liability for abetment of suicide under Section 306 IPC. The Court quashed an FIR against a man accused of abetting a woman’s suicide after he backed out of marriage, holding that emotional hurt alone cannot be equated with criminal intent to provoke suicide.

Case: Yadwinder Singh @ Sunny v. State of Punjab & Anr.

Citation: 2025 LiveLaw (SC) 1058



Siddhart Dewalwar



Quick Bites

Emotional Hurt Is Not Criminal Instigation



306
IPC

- Supreme Court: Mere Refusal to Marry Doesn't Amount to Abetment of Suicide
- Section 107 IPC Demands Active Instigation or Intent, not Emotional Fallout
- FIR Quashed — Reaffirming that Law Punishes Intent, Not Heartbreak

Yadwinder Singh @ Sunny V. State of Punjab, (2025) LiveLaw (SC) 1058

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Litigation

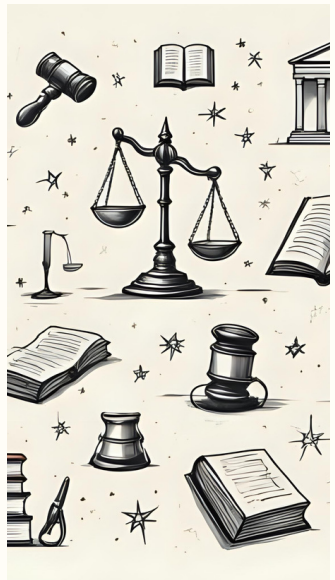
SC Allows Intervention Challenging Madhya Pradesh Prison Law for Alleged Discrimination Against Denotified Tribes

The Supreme Court has allowed an intervention alleging that Madhya Pradesh's new 2024 prison law discriminates against denotified tribes, contrary to the Court's own Sukanya Shantha (2024) ruling which prohibits caste-based discrimination inside prisons. The intervenor argues that vague references to "habitual offenders" in the Act enable arbitrary segregation, denial of parole, and reinforce harmful stereotypes against denotified tribes. The Court has sought a detailed application on required directions.

Matter: In Re: Discrimination Inside Prisons in India (Suo Moto No. 10/2024)



Siddhart Dewalwar



SC Upholds Sealing of Commercial Unit in New Rajinder Nagar; Allows Regularisation on Payment of Conversion Charges and Removal of Violations

The Supreme Court has upheld the sealing of a commercial unit in New Rajinder Nagar Market, holding that upper floors—sanctioned for residential use as part of a designated Local Shopping Centre (LSC)—cannot be commercially used without first paying conversion charges to the MCD. The Court allowed the premises to be regularised if the owner (i) removes non-compoundable violations, (ii) pays conversion charges for commercial use of upper floors, and (iii) pays penalties for excess FAR.

Matter: M.C. Mehta v. Union of India & Ors.



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Litigation

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Quick Bites

When the Apex Speaks, Others Must Pause



Supreme Court Pulls Up Uttarakhand High Court For Overstepping In Corbett Illegal Construction Case

Reaffirms Judicial Discipline – High Courts Must Refrain From Parallel Interference When SC is Seized Of A Matter

Officer's Petition Transferred To SC; Show Cause Notice For Contempt Issued

Case: In Re: T.N. Godavarman Thirumulpad V. Union of India & Ors. | 2025 LiveLaw (SC) 1046

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SC Raps Uttarakhand HC for Staying Prosecution Sanction in Corbett Tiger Reserve Case; Transfers Officer's Plea, Issues Contempt Notice

The Supreme Court criticised the Uttarakhand High Court for staying a prosecution sanction related to illegal construction and tree-felling in Corbett Tiger Reserve while the matter was already pending before the apex court. A bench led by CJI BR Gavai said High Courts must not interfere when the Supreme Court is seized of the issue. The officer who challenged the sanction will now have his writ petition transferred to the Supreme Court, and he must show cause why contempt should not be initiated.

Case: In Re: T.N. Godavarman Thirumulpad v. Union of India & Ors.
Citation: 2025 LiveLaw (SC) 1046



Siddhart Dewalwar



Litigation



MMTC Limited Vs. Anglo American Metallurgical Coal Pvt. Ltd., Civil Appeal No. 13321 of 2025

The Hon'ble Apex Court held that belated and unsubstantiated allegations of fraud cannot be used to obstruct or reopen enforcement of an arbitral award that has already attained finality, relying on *Electrosteel Steel Ltd. vs. ISPAT Carrier Pvt. Ltd.* The dispute arose from MMTC's failure to lift coal under a long-term supply contract, for which an arbitral tribunal found MMTC in breach, a finding upheld up to the Supreme Court. Raising fraud only at the execution stage was found to be a tactical delay, with the Court holding that MMTC's 2008 pricing decisions fell within the business judgment rule and no fraud was proven. The Court also cautioned against casually alleging collusion against public officials, noting such accusations can create a "chilling effect" and lead to policy paralysis. The appeal was accordingly dismissed.



Shyam Kishor Maurya

Municipal Corporation of Delhi Vs. Himalyan Flora and Aromas Pvt Ltd., ARB. A. (COMM.) 54/2025

The Hon'ble Delhi High Court clarified that the powers granted to an Arbitral Tribunal to modify, substitute, vacate or extend an award cannot be read into the authority of an Emergency Arbitrator, as doing so would undermine the statutory scheme of emergency arbitration under the A&C Act. It held that the terms "Emergency Arbitrator" and "Arbitral Tribunal" are distinct and cannot be used interchangeably. Consequently, an Emergency Arbitrator's award can remain operative only for 90 days. On this basis, the impugned Emergency Award was set aside.



Shyam Kishor Maurya



Litigation



M/s. Lancor Holdings Limited Vs. Prem Kumar Menon and others, Civil Appeal Nos. 10074-10075 of 2024

The Hon'ble Apex Court held that mere delay in pronouncing an arbitral award does not automatically invalidate it, however, if such delay is undue, unexplained, and demonstrably affects the reasoning or outcome of the award, it may be set aside as being contrary to public policy or patently illegal under Section 34. The Court further held that an arbitral award which does not resolve the dispute finally and instead compels parties into further litigation, while also altering their positions irreversibly, is unworkable and liable to be set aside on grounds of perversity and patent illegality. Such an award defeats the very purpose of arbitration as a speedy and final dispute-resolution mechanism. In appropriate circumstances, the Court may also exercise its powers under Article 142 to do complete justice.



Shyam Kishor Maurya

M/s GAIL (India) Limited Vs. M/s Coromandal Electric Company Ltd., O.S.No.300 of 2020, O.S.A.(CAD)No.42 of 2021, 64 of 2021, O.S.A. (CAD)No.66 of 2022, O.S.A.(CAD)No.109 of 2021, O.S.A.(CAD) No.125 of 2021 and O.S.A. (CAD)No.127 of 2021

The Hon'ble Madras High Court found no consumer subclassification or misrepresentation in the pricing policy and held that unjust enrichment did not arise since the Buyers sold energy at fixed rates. It ruled that the public trust doctrine was inapplicable to this transparent commercial transaction and that concluded contracts could not be reopened by adding new terms. The Court further held that accepting GAIL's stance would lead to uncertainty contrary to public policy. Accordingly, it ruled that GAIL could not recover differential pricing retrospectively and could only apply non-APM pricing prospectively as per the GSC, dismissing the appeals.



Shyam Kishor Maurya



Litigation

**KIMBERLEY CLUB PVT. LTD. VERSUS KRISHI UTPADAN MANDI PARISHAD & ORS., SLP (C)
No. 20557/2021**

The Supreme Court set aside the disqualification of a bidder in a Mandi Parishad tender for leasing a banquet hall, holding that the authority imposed a condition not specified in the Notice Inviting Tender (NIT). The Parishad had rejected the bidder's technical bid for submitting a valuation certificate from an empanelled valuer of Income Tax Department instead of a District Magistrate. The Court held this requirement was de hors the NIT and arbitrary. It remanded the matter to the Parishad for fresh evaluation of the bidder's technical bid and directed reconsideration of the contract based on compliance with Clause 18 of the NIT.



Ananya Jaim



Corporate



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Food Safety Goes Festive – FSSAI Opens Online Registration for Seasonal Businesses

From Fairs to Festivals, Get Registered with just a Click on Food Safety Compliance System (FoSCoS).

Because Safe Food is for Every Season.

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Akshita Agarwal

FSSAI Launches Online Registration for Seasonal Food Businesses*

The Food Safety and Standards Authority of India (FSSAI) has launched a new online facility on its Food Safety Compliance System (FoSCoS) portal to streamline registration for seasonal food businesses. Effective from August 1, 2025, this initiative simplifies the process for temporary food operators participating in short-term events such as fairs, festivals, and religious gatherings.

Previously, there was no dedicated provision for such seasonal ventures, often leading to delays and procedural challenges. Under the new system, Registering Authorities can directly issue certificates to eligible Food Business Operators (FBOs) without requiring them to undergo the standard registration process.

This provision is based on Form 'A' under the FSS (Licensing and Registration of Food Businesses) Regulation, 2011, and allows the Registering Authorities to complete the formalities on behalf of the FBOs. The facility covers specific business categories such as retailers, food vending agencies, tea/snack shops, hawkers, and mobile food vendors.

The registration certificate will be valid for a maximum period of three months and cannot be renewed. A nominal fee of ₹100 applies, except for hawkers, who are exempt as per FSSAI's order dated September 30, 2024.

FSSAI has also issued a detailed User Manual to guide authorities through the process and urged all stakeholders, including FBOs, associations, and Food Safety Mitras, to take note of this update.



Corporate



Quick Bites

Supreme Court: Preference Shareholders Are Investors, Not Financial Creditors under IBC



The Supreme Court, in *EPC Constructions India Ltd. v. Matix Fertilizers & Chemicals Limited*, ruled that Holders of Cumulative Redeemable Preference Shares (CRPS) are Investors, not Financial Creditors under the Insolvency and Bankruptcy Code, 2016.

The Court Clarified That:

- Preference Shares Form Part of a Company's Share Capital, not a Loan
- Non-Redemption Does not Amount to Default Under Section 7 of the IBC
- Dividends are Payable Only Out of Profits, not Guaranteed Returns

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Akshita Agarwal

Supreme Court Rules Preference Shareholders Are Investors, Not Financial Creditors under IBC

In *EPC Constructions India Limited v. Matix Fertilizers and Chemicals Limited* [Civil Appeal No. 11077 of 2025], the Supreme Court held that holders of Cumulative Redeemable Preference Shares (CRPS) are investors and not financial creditors under the Insolvency and Bankruptcy Code, 2016 (IBC). Consequently, they cannot initiate insolvency proceedings under Section 7 of the IBC for non-redemption of such shares, as non-redemption does not constitute a "default."

A bench comprising Justices JB Pardiwala and KV Viswanathan observed that preference shares form part of a company's share capital, and the amounts paid up on them are not loans. Dividends are payable only out of profits, and payment without profits would amount to an illegal return of capital. Therefore, amounts paid towards preference shares do not qualify as a "debt."

The case arose when EPC Constructions India Limited converted ₹250 crores of dues under an engineering contract into 8% CRPS redeemable within three years. Upon Matix Fertilizers' failure to redeem, the liquidator sought insolvency proceedings claiming financial creditor status. Both the NCLT and NCLAT rejected the plea, which the Supreme Court affirmed.

Referring to A Ramaiya's Guide to the Companies Act (18th Ed., Vol. 1, p. 879), the Court reiterated that even when unredeemed, preference shareholders remain investors and not creditors. It further clarified that Section 5(8) of the IBC requires a "financial debt" to involve disbursement against the time value of money, which does not encompass share capital. Accordingly, the appeal was dismissed.



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Government Warns of Strict Action for Non-Compliance with Edible Oil Regulations

The Department of Food and Public Distribution, under the Ministry of Consumer Affairs, Food and Public Distribution, has issued a stern warning to the edible oil industry, stating that any non-compliance with the amended Vegetable Oil Products, Production and Availability (Regulation) Order, 2025 (VOPPA Order) will attract strict penal action. The Department has announced plans to conduct inspection drives and field verifications to ensure compliance across the sector.

The amended VOPPA Order, 2025 strengthens the regulatory framework established under the 2011 Order and seeks to enhance transparency, accountability, and data integrity within the edible oil supply chain, thereby supporting India's food security objectives.

Under the revised framework, all manufacturers, processors, blenders, re-packers, and other stakeholders are required to complete a mandatory two-step compliance process:

- 1.Registration – Units must register through the National Single Window System (NSWS) portal.
- 2.Monthly Returns Filing – Registered units must regularly file monthly production and stock returns through the designated online portal.

The Department noted that several units have already complied with the new requirements. However, failure to register or file returns will be treated as a violation under the amended VOPPA Order and may invite action under both the VOPPA Order and the Collection of Statistics Act, 2008.

The Ministry emphasized that strict enforcement is essential to strengthen data accuracy and ensure effective policy planning for India's edible oil sector.



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