

LEXPORT NEWSLETTER

MARCH 2026 | 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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Indirect Tax

Supreme Court Holds Rooh Afza Taxable as Fruit Drink at Concessional Rate; Appeal Allowed

CASE TITLE: M/S HAMDARD (WAKF) LABORATORIES VERSUS COMMISSIONER, COMMERCIAL TAX, U.P. COMMERCIAL (and connected matter)

CITATION: 2026 LiveLaw (SC) 197

The Supreme Court has held that Rooh Afza qualifies as a fruit based beverage preparation intended for dilution and consumption and is therefore taxable at the concessional VAT rate of 4 percent instead of 12.5 percent applicable under the residuary entry.

A Bench comprising Justices B.V. Nagarathna and R. Mahadevan allowed the appeal filed by Hamdard Laboratories and set aside the judgments of the Allahabad High Court which had classified the product as a non fruit syrup or sharbat.

The dispute centred on whether Rooh Afza, containing nearly 10 percent fruit juice along with herbal distillates and sugar syrup, could be denied classification as a fruit drink merely because it was marketed as a “sharbat” under food licensing regulations.

The Court held that marketing nomenclature or regulatory labels cannot determine fiscal classification. What is decisive is the product’s composition, intended use and commercial identity.

Applying the essential character test, the Court observed that sugar syrup merely acts as a carrier and preservative, while the beverage identity flows from fruit based ingredients imparting flavour and character.

Noting consistent classification adopted across multiple States, the Court concluded that Rooh Afza falls within the specific fruit drink entry under the UP VAT Act. Accordingly, the appeal was allowed.



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Rooh Afza Gets Tax Relief from Supreme Court



Supreme Court rules Rooh Afza is a fruit-based beverage, taxable at the concessional 4% rate instead of 12.5%, as classification depends on composition, not marketing label.

CASE TITLE: M/S HAMDARD (WAKF) LABORATORIES VERSUS COMMISSIONER, COMMERCIAL TAX, U.P. COMMERCIAL (and connected matter)
CITATION: 2026 LiveLaw (SC) 197

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Indirect Tax

Supreme Court Upholds SVLDRS Computation, Dismisses Review Petition On Voluntary Tax Payment

CASE TITLE: A.S. GOPINATH Versus DESIGNATED AUTHORITY

CITATION: (2025) 36 Centax 305 (S.C.)

The Supreme Court has dismissed a review petition challenging denial of relief under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019, reaffirming that service tax voluntarily paid during investigation cannot be deducted while determining the amount payable under Form SVLDRS-3.

The dispute arose where the assessee had voluntarily paid service tax during investigation proceedings and subsequently sought adjustment of the said amount while computing relief under the SVLDR Scheme. The Kerala High Court had earlier held that such voluntary payment constituted admitted tax dues and not a pre-deposit eligible for deduction under Sections 124(1)(e) and 124(2) of the Finance Act, 2019.

Upholding the High Court's view, the Supreme Court observed that once tax is voluntarily paid without any demand or coercive recovery, it assumes the character of tax dues and cannot be treated as a deposit for the purpose of relief computation under the Scheme.

The Court further reiterated that an assessee issued a show cause notice after the statutory cut-off date of 30 June 2019 is not eligible to file a declaration under the SVLDR Scheme.


Finding no error warranting reconsideration, the Bench declined to interfere and dismissed the review petition, thereby affirming the earlier judgment in favour of the Revenue.

The ruling reinforces strict interpretation of eligibility and computation provisions under the SVLDR Scheme.




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Voluntary Tax Payment Not Deductible Under Sabka Vishwas (Legacy Dispute Resolution) Scheme



The Supreme Court held that service tax voluntarily paid during investigation constitutes admitted tax dues and cannot be adjusted as a pre-deposit while computing relief under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. The review petition was dismissed, reaffirming strict interpretation of the scheme's eligibility and computation provisions.

Case Title: A.S. GOPINATH Versus DESIGNATED AUTHORITY
CITATION: (2025) 36 Centax 305 (S.C.)

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Indirect Tax

Free Call Allowance To Employees Not Taxable As Service Tax: Supreme Court

CASE TITLE: COMMISSIONER OF CENTRAL EXCISE & CENTRAL GOODS & SERVICE TAX, GURUGRAM Versus BHARTI AIRTEL LTD.

CITATION: (2025) 36 Centax 307 (S.C.)

The Supreme Court has held that free call allowance provided by a telecom company to its employees cannot be subjected to Service Tax, as no consideration is received for such facility. The Court dismissed the Revenue's appeal and upheld the order passed by the CESTAT in favour of Bharti Airtel Ltd.

The dispute related to the "Airtel Employees Services Scheme", under which employees were granted waiver of telephone charges up to a prescribed Call Free Allowance (CFA) limit for mobile and fixed line connections. The Department sought to levy Service Tax by treating the waived amount as taxable consideration under telephone services.

The Tribunal had earlier held that the free allowance was merely a discount or concession extended to employees and did not result in any monetary or non monetary consideration accruing to the service provider. Consequently, such allowance could not form part of taxable value for Service Tax purposes.

Affirming this view, the Supreme Court observed that valuation under Service Tax must be based on actual consideration received and cannot rest on assumptions, presumptions, or mathematical approximations. The Court also held that invocation of best judgment assessment under Section 72 of the Finance Act, 1994 was impermissible where statutory returns had been regularly filed.

Finding no infirmity in the Tribunal's reasoning, the Supreme Court declined interference and dismissed the Revenue's appeal, thereby granting relief to the assessee.



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Supreme Court: No Service Tax on Free Call Allowance Provided to Employees

Free call allowance given to employees is not taxable. The Supreme Court held that service tax requires actual consideration, not assumptions. Employee telecom concessions are merely internal benefits – not taxable services.

CASE TITLE: COMMISSIONER OF CENTRAL EXCISE & CENTRAL GOODS & SERVICE TAX, GURUGRAM Versus BHARTI AIRTEL LTD.
CITATION: (2025) 36 Centax 307 (S.C.)

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Indirect Tax

CESTAT Orders Release of Seized Imported Fabric Without Additional Bank Guarantee

CASE TITLE: CANADIAN SPECIALITY VINYLVS Versus COMMISSIONER OF CUSTOMS, NOIDA

CITATION: (2026) 39 Centax 189 (Tri.-All)

The CESTAT, Allahabad Bench, held that imported wrap knitted fabric seized during investigation cannot be subjected to excessive conditions for provisional release when the interests of the Revenue already stand adequately secured.

The dispute arose after customs authorities seized stocks of wrap knitted fabric from the premises of the importers during investigation into alleged short payment of customs duty. While permitting provisional release under Section 110A of the Customs Act, the Department imposed stringent conditions requiring execution of high value bonds supported by substantial bank guarantees.

The importers challenged these conditions as disproportionate and unreasonable. The Tribunal observed that the goods were commercial in nature, intended for further manufacture, and were neither prohibited nor conditionally restricted for import. It further noted that one importer had deposited ₹75 lakh in cash, exceeding the differential duty and interest liability, while the other had already furnished a full value bond along with bank guarantee covering duty exposure.

Holding that the Revenue's interests were fully protected, the Tribunal ruled that insisting on additional bank guarantees would be excessive and beyond the requirement of reasonableness. Accordingly, it directed release of the seized goods upon furnishing of full value bonds without insisting on further bank guarantees.

The appeals were disposed of in favour of the assesses.



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Quick Bites

Adequate Security, Not Excessive Conditions

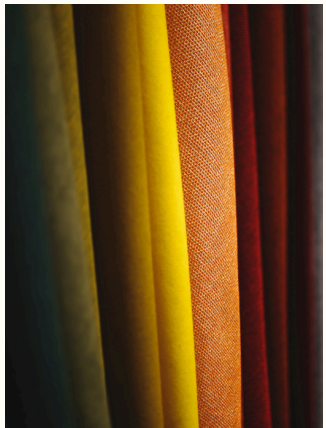


The CESTAT, Allahabad Bench held that when the Revenue's interests are already secured through substantial deposits and bonds, imposing additional bank guarantees for provisional release of seized goods becomes unreasonable. The Tribunal emphasized that such conditions must remain proportionate and not burdensome, directing release of the imported fabric upon furnishing full value bonds without insisting on further bank guarantees.

Case Title: CANADIAN SPECIALITY VINYLVS Versus COMMISSIONER OF CUSTOMS, NOIDA
CITATION: (2026) 39 Centax 189 (Tri.-All)

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Indirect Tax

Salary Paid to Expat Employees Not Liable to GST: Karnataka High Court

CASE TITLE: HUAWEI TECHNOLOGIES INDIA PVT. LTD. Versus STATE OF KARNATAKA
CITATION: (2026) 39 Centax 336 (Kar.)

The Karnataka High Court has held that salary paid to foreign or expatriate employees working in India cannot be subjected to GST, as such payments arise from an employer-employee relationship and do not constitute a taxable supply under the GST framework.

In Huawei Technologies India Pvt. Ltd. v. State of Karnataka, the tax department sought to levy IGST under the reverse charge mechanism by treating remuneration paid to expatriate personnel as consideration for import of manpower supply services. The Department alleged that foreign employees qualified as non resident taxable persons providing services to the Indian entity.

Rejecting this contention, the Court noted that the expatriate employees were working under valid employment contracts with the petitioner and operated under its supervision and control in India. Their salaries were paid as employment income, with applicable income tax deductions made in India, clearly establishing the existence of an employer-employee relationship.

Referring to Entry 1 of Schedule III of the CGST Act, the Court reiterated that services rendered by an employee to an employer in the course of employment are treated neither as supply of goods nor supply of services. Therefore, GST liability cannot arise.

The Court further clarified that expatriate employees residing and working in India cannot be categorized as non resident taxable persons. Accordingly, the demand of IGST, interest and penalty was set aside and the writ petition was allowed.



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Karnataka High Court Rules: Salary to Expat Employees Not Liable to GST

The Karnataka High Court held that salary paid to expatriate employees working in India arises from an employer-employee relationship and is excluded from GST under Schedule III of the CGST Act. Treating such remuneration as import of manpower services was held to be incorrect, and the demand for IGST, interest and penalty was set aside.

Case Title: HUAWEI TECHNOLOGIES INDIA PVT. LTD. Versus STATE OF KARNATAKA
CITATION: (2026) 39 Centax 336 (Kar.)

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Indirect Tax

Interest @12% Payable on Refund of Investigation Deposit: CESTAT Delhi

CASE TITLE: Churchit International Versus Commissioner of Customs (Export), New Delhi

CITATION: (2026) 39 Centax 206 (Tri.-Del)

The CESTAT, Principal Bench, New Delhi, has held that amounts deposited during investigation prior to issuance of a show cause notice cannot be retained by the Department without statutory authority and must be refunded along with interest at 12% per annum.

In Churchit International v. Commissioner of Customs (Export), New Delhi, the assessee had deposited ₹50 lakh during investigation conducted by DRI, much before issuance of any show cause notice. Subsequently, all proceedings culminated in dropping of the proposed demands and no liability was confirmed against the assessee. Although the principal amount was refunded, interest was denied by the Department.

The Tribunal observed that any amount deposited during investigation, in absence of a confirmed demand or appropriation, assumes the character of a revenue deposit and not duty. Such collection, lacking authority of law, violates Article 300A of the Constitution, since the money continues to remain the property of the assessee.

Rejecting the Department's contention restricting interest to 6%, the Tribunal relied upon binding precedents including Finacord Chemicals, Parle Agro, and Kuil Fireworks Industries, holding that investigation deposits warrant compensation by way of interest from the date of deposit till the date of refund.

It was further clarified that provisions under Sections 11B, 11BB or 35FF of the Central Excise Act do not apply to such deposits, as they are not payments of duty.

Accordingly, the Tribunal directed payment of interest at 12% per annum, and allowed the appeal in favour of the assessee



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CESTAT Upholds Right to Refund: 12% Interest Payable on Investigation Deposit

Amounts deposited during investigation cannot be retained without legal authority. If no demand survives, the deposit must be refunded with 12% interest, reaffirming protection under Article 300A - Right to Property.

Case Title: Churchit International Versus Commissioner of Customs (Export), New Delhi
Citation: (2026) 39 Centax 206 (Tri.-Del)

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Indirect Tax

Calcutta High Court Sets Aside GST Demand Ignoring Portal Records Showing ITC Reversal

CASE TITLE: SHINE PHARMACEUTICALS LTD. Versus JOINT COMMISSIONER OF REVENUE, LARGE TAX PAYER UNIT

CITATION: (2026) 39 Centax 264 (Cal.)

The Calcutta High Court has set aside demand proceedings raised against a taxpayer for alleged excess availment of Input Tax Credit (ITC), holding that authorities cannot disregard data available on the GST portal while determining tax liability.

The dispute arose from proceedings initiated under Section 73 of the CGST Act alleging wrongful availment of ITC and short payment of tax. The adjudicating authority confirmed the demand, which was subsequently upheld in appeal, without examining whether the disputed credit had already been reversed by the assessee.

Before the High Court, the taxpayer demonstrated through GST returns and portal records that ITC relating to credit notes and place of supply adjustments had already been reversed, and in certain instances, excess reversal had been made. The Court noted that such information was readily verifiable from statutory returns including GSTR-1, GSTR-3B and annual returns available within the GST system.

The Court observed that failure of the authorities to verify electronically available records amounted to non application of mind and vitiated the adjudication process. Holding that quasi judicial authorities are duty bound to examine relevant material before confirming tax demands, the Court set aside both the adjudication and appellate orders.

The matter was remanded for fresh adjudication after granting proper opportunity of hearing to the assessee.



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Quick Bites

GST Demand Cannot Ignore Portal Records: Calcutta HC



The Calcutta High Court set aside a GST demand where authorities failed to verify ITC reversals already reflected on the GST portal. The Court held that ignoring statutory return data shows non-application of mind. The matter was remanded for fresh adjudication after proper verification.

CASE TITLE: SHINE PHARMACEUTICALS LTD. Versus JOINT COMMISSIONER OF REVENUE, LARGE TAX PAYER UNIT
CITATION: (2026) 39 Centax 264 (Cal.)

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Intellectual Property Rights

Hon'ble Delhi District Acquits Accused in Counterfeit Auto Parts Case for Want of Proof

In *State v. Satish Gupta & Anr.*, the Delhi District Court acquitted Vinod Rathore and Satish Gupta of offences under Sections 63 and 65 of the Copyright Act and Sections 103 and 104 of the Trade Marks Act arising from alleged seizure of counterfeit automotive parts bearing marks such as Kirloskar, Bosch and TATA. The Hon'ble Court held that the prosecution failed to establish infringement, as the complainant and material witnesses did not testify, creating an irreparable evidentiary gap. It emphasized that mere allegations or filing of a chargesheet cannot substitute proof, and no adverse inference can be drawn against the accused for prosecutorial lapses. Reiterating that criminal charges must be proved beyond reasonable doubt and that infringement cannot be presumed, the Hon'ble Court found the foundational elements of counterfeiting unsubstantiated. Observing that prolonged trials without key witnesses violate the right to speedy trial under Article 21, the Hon'ble Court concluded that the prosecution's case had collapsed, extended the benefit of doubt to the accused, and ordered their acquittal.

[State vs Satish Gupta Etc (CIS No. 292454/2016)]



Ananya Singh



Intellectual Property Rights

Ex-Parte Permanent Injunction Granted to KRBL in “INDIA GATE” Trademark

In *KRBL Limited v. Paresh Chandra Paul & Anr.*, the Hon'ble Delhi District Court decreed an ex-parte permanent injunction in favour of KRBL Limited for infringement of its registered trademarks “INDIA GATE” (with device) and “BABAL HIND” in relation to rice. The plaintiff established continuous use of “INDIA GATE” since 1993 and produced extensive documentary evidence, including registration certificates, sales figures, advertisements, invoices, and copyright records. Although a clerical error led to advertisement of the mark as a word mark instead of the device mark, rectification proceedings had been initiated. The defendants, despite service, failed to appear and were proceeded ex-parte; their evidence remained un rebutted. The Hon'ble Court held that the defendants had infringed the plaintiff's trademarks and copyright, and had engaged in passing off, falsification, and unfair trade practices. Accordingly, the defendants were restrained from using the impugned marks or any deceptively similar variations. Costs were awarded to the plaintiff, and seized counterfeit goods were directed to be handed over for destruction. [TM No. 95/2014 208/21]



Ananya Singh

Court Upholds “INDIA GATE” Trademark – Counterfeit Use Restrained



Delhi District Court grants ex-parte permanent injunction to KRBL, restraining deceptive rice brands and ordering destruction of infringing goods.

Case Title: KRBL Limited v. Paresh Chandra Paul & Anr.
CITATION: TM No. 95/2014 (208/21), Delhi District Court.



Intellectual Property Rights

Delhi High Court Clarifies Revocation Law, Allows Challenge to Patent Even After Expiry

The Delhi High Court dismissed Boehringer Ingelheim's appeal and held that a revocation petition under Section 64 of the Patents Act can continue even after the patent has expired and even where the defendant has raised an invalidity defence in an infringement suit. The dispute arose from Boehringer's patent for the diabetes drug Linagliptin and a revocation challenge filed by Macleods Pharmaceuticals. The Division Bench held that a revocation petition and an invalidity defence under Section 107 operate differently. While a Section 107 defence merely results in a declaration of invalidity between the parties, a successful revocation petition removes the patent from the register and operates in rem. The Court also clarified that revocation acts retrospectively, meaning the patent is treated as invalid from the date of grant. Rejecting Boehringer's argument that the revocation petition became infructuous after the patent expired, the Court held that expiry only ends the patentee's monopoly going forward. The patentee can still claim damages for past infringement, and therefore the alleged infringer retains a legitimate interest in seeking revocation.

Boehringer Ingelheim Pharma GmbH & Co KG v Controller of Patents & Anr., LPA 129/2025



Anushka Tripathi



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Revocation Can Continue Even After Patent Expiry

The Delhi High Court clarified that a Section 64 revocation petition under the Patents Act can proceed even after the patent expires. Unlike a Section 107 invalidity defence, which binds only the parties, revocation removes the patent from the register and operates in rem with retrospective effect.

Case Title: *Boehringer Ingelheim Pharma GmbH & Co KG v Controller of Patents & Anr., LPA 129/2025*

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Intellectual Property Rights

Delhi High Court Orders Takedown of Deepfake and Misleading Online Content Misusing Swami Ramdev's Persona

The Delhi High Court granted an ex parte ad interim injunction in favour of Swami Ramdev, restraining unidentified defendants from misusing his name, image, voice and likeness across social media and e-commerce platforms. The suit was filed after the plaintiff discovered several AI generated deepfake videos, manipulated images and fake endorsements circulating online that falsely portrayed him promoting products and giving medical advice. The Court observed that Swami Ramdev's persona including his name, appearance and voice has acquired distinct public recognition through decades of work in yoga and Ayurveda. The Court held that the impugned content prima facie misappropriated his personality rights and could mislead the public while causing serious harm to his reputation. The Court directed intermediaries including YouTube, Meta, X and Amazon to take down the identified URLs within 72 hours and restrained further unauthorized exploitation of the plaintiff's persona.

Swami Ramdev v. John Doe (s) & Ors., CS(COMM) 147/2026



Anushka Tripathi



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Delhi High Court Cracks Down on Deepfake Misuse



The Court granted an injunction protecting Swami Ramdev's personality rights and ordered intermediaries to remove AI-generated deepfake videos, fake endorsements, and misleading content within 72 hours, restraining further unauthorized use of his name, image, voice, and likeness.

Cause Title: Swami Ramdev v. John Doe (s) & Ors., CS(COMM) 147/2026

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Intellectual Property Rights

Hon'ble Delhi HC Allows Registration of "ONE FOR ALL" for Educational Publications

The Division Bench of the Hon'ble Delhi High Court allowed the appeal filed by Oswaal Books and Learnings Pvt. Ltd. and set aside the orders of the Registrar of Trade Marks and the Single Judge refusing registration of the mark "ONE FOR ALL" in Class 16 for educational publications. The earlier refusal was based on the finding that the phrase consisted of ordinary English words and had not acquired distinctiveness or secondary meaning. The Hon'ble Division Bench held that distinctiveness must be assessed in relation to the goods or services for which the mark is used, and that a common expression may still function as a trademark if it has no direct connection with the goods. The Hon'ble Court found that "ONE FOR ALL" does not immediately describe books or printed publications and cannot be treated as a descriptive slogan in the trade. At most, the mark is suggestive of universality and therefore capable of distinguishing the appellant's goods. Observing that slogans and taglines can perform a source-identifying function in modern commerce, the Hon'ble Court concluded that the mark satisfies the statutory requirements for registration under the Trade Marks Act and restored the application for registration. [Oswaal Books And Learnings Private Limited. vs The Registrar Of Trade Marks (LPA 571/2025 & CM APPL. 56791/2025)]



Ananya Singh



Even a Common Phrase Can Be a Trademark



The Delhi High Court held that the phrase "ONE FOR ALL" is capable of trademark protection for educational publications. The Court clarified that it does not directly describe the goods and can function as a source identifier.

Case Title: Oswaal Books And Learnings Private Limited. vs The Registrar Of Trade Marks (LPA 571/2025 & CM APPL. 56791/2025)

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Intellectual Property Rights

Hon'ble Delhi HC Grants Injunction in "CHACHA" Trademark Dispute Between Saree Retailers

The Division Bench of the Hon'ble Delhi High Court allowed the appeal filed by Chacha Saree Bazar Pvt. Ltd. against an order of the Commercial Court that had refused interim injunction in a trademark infringement dispute with Chacha Cloth House. The lower court had treated "CHACHA" as a generic term and declined protection. Setting aside this finding, the Hon'ble High Court held that distinctiveness must be assessed in relation to the goods or services for which the mark is used. The Hon'ble Court observed that although "Chacha" may be a commonly used word meaning "uncle," it bears no direct connection with sarees or garments and can therefore function as a distinctive trademark in that trade. Applying the anti-dissection rule and the dominant-feature test, the Hon'ble Court found that "CHACHA" constituted the dominant element in both parties' marks, creating a likelihood of confusion among consumers. The Hon'ble Court further rejected the defence that the mark was "common to trade," noting the absence of evidence of substantial use by others in the saree or apparel market. Consequently, the Division Bench held that a prima facie case of infringement was made out and restrained the respondent from using the impugned marks pending disposal of the suit. [Chacha Saree Bazar Pvt. Ltd. & Anr vs Chacha Cloth House (FAO (COMM) 217/2025)]



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Quick Bites

A Common Word Can Still Be a Trademark



Trademark distinctiveness is assessed in relation to the goods or services.

"CHACHA" may mean uncle—but it bears no direct link to sarees.

Case Title: Chacha Saree Bazar Pvt. Ltd. & Anr vs Chacha Cloth House (FAO (COMM) 217/2025)

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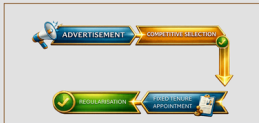


Litigation



Quick Bites

HP High Court Upholds Regularisation Policy for Fixed Tenure Appointees



HP High Court upheld SJVN's regularisation policy, ruling that regularisation of fixed tenure appointments made through advertisement and competitive selection are not backdoor entries and comply with Articles 14 and 16.

Case Title: Yug Raj Thakur and Ors. Vs. Satluj Jal Vidyut Nigam Limited and Ors., 2026: HHC:2743-DB

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Yug Raj Thakur and Ors. Vs. Satluj Jal Vidyut Nigam Limited and Ors., 2026: HHC:2743-DB

The Himachal Pradesh High Court dismissed a writ petition challenging Satluj Jal Vidyut Nigam Limited's policy regularising Fixed Tenure Appointees, holding that appointments made through due advertisement and a competitive selection process comparable to regular recruitment cannot be termed "backdoor entries" merely because they were initially for a fixed term. The Court found no violation of Articles 14 and 16, observing that the recruitment process for such appointees followed prescribed procedures similar to regular appointments. It also noted that the petitioners' grievance was personal and premature, particularly as they had earlier appreciated the policy and later failed to qualify in a regular executive recruitment conducted in 2025. Concluding that the policy did not defeat statutory provisions or constitutional mandates, the Court upheld its validity.



Shyam Kishor Maurya

Shri. Kishore S/o Pessulal Sewani, Vs. The Directorate of Enforcement, 2026:BHC-AS:9200-DB

The Bombay High Court quashed the ED's money-laundering case and process order against Advocate Kishore Dewani, an alleged aide of former Maharashtra Home Minister, holding that no prima facie offence under Sections 3 and 4 of the PMLA was made out. The Court found that the Dhutum Village properties were purchased by M/s Premier Port Links Pvt. Ltd. between 2005–2007, long before the alleged generation of proceeds of crime in 2020–2021 and thus had no nexus with the scheduled offence. Bench noted that the ED failed to produce material showing Dewani's knowing involvement in dealing with tainted funds or any connection between the earlier transactions and the alleged proceeds of crime. Observing that the special PMLA court had not applied the "sufficient ground for proceeding" test with reasons, the High Court set aside both the process order and the ED complaint against Dewani.



Shyam Kishor Maurya



Quick Bites

No Link to Proceeds of Crime, No PMLA Case: Bombay HC



Bombay High Court quashed the ED's PMLA case against Advocate Kishore Dewani, holding that property transactions from 2005-2007 had no nexus with alleged proceeds of crime in 2020-2021 and no prima facie offence was made out.

Case Title: Shri. Kishore S/o Pessulal Sewani, Vs. The Directorate of Enforcement, 2026:BHC-AS:9200-DB

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Litigation



Om Prakash Malhotra & Anr. Vs. Sachin Malhotra, C.R.P. 314/2024

The Delhi High Court imposed costs of Rs. 15,000 on a respondent's counsel for seeking an adjournment without informing the opposing counsel. The adjournment, sought on 28.01.2026 due to counsel's travel outside Delhi, was opposed as similar requests had been made on the previous two dates. The Court noted that the petitioner's counsel had not been informed in advance, causing unnecessary inconvenience. Strongly deprecating such practice, the Bench directed the respondent's counsel to pay the costs within two weeks.



Shyam Kishor Maurya

Learning Resources, INC. Vs. Trump, President of the US, 607 U.S.__(2026)*

In a 6–3 decision, the U.S. Supreme Court held that the President's global tariffs were unlawful. The Court ruled that the International Emergency Economic Powers Act does not authorize the imposition of tariffs. It held that Article I of the Constitution vests the taxing power exclusively in Congress. The majority applied the "major questions" doctrine. It found no clear congressional delegation permitting sweeping tariffs under a national emergency. The tariffs targeted imports from Canada, Mexico, China, and other trading partners. Businesses and states challenged the measures, and lower courts invalidated them. The Supreme Court affirmed those rulings upon review. In dissent, Justices Thomas, Alito, and Kavanaugh argued that regulating importation includes tariffs and that the majority unduly restricted executive authority.



Shyam Kishor Maurya

US Supreme Court Strikes Down Presidential Global Tariffs



U.S. Supreme Court held that the President cannot impose global tariffs under emergency powers, reaffirming that the constitutional taxing authority rests exclusively with Congress.

Case Title: Learning Resources, INC. Vs. Trump, President of the US, 607 U.S.__(2026)

Litigation



Six Year Limitation Under Stamp Act Covers Entire Revision Process, Not Just Notice

The Bombay High Court held that the six year limitation under Section 53A of the Maharashtra Stamp Act, 1958 applies to the entire revisional exercise, from initiation to final order, and not merely to issuance of notice. Justice Somasekar Sundaresan quashed demand notices and the order of the Chief Controlling Revenue Authority against Romell Real Estate Pvt. Ltd.

On merits, the Court ruled that adding ₹20.33 crores towards construction cost of the Permanent Transit Camp in a slum rehabilitation project was contrary to Guideline 26 of the ASR. Such cost was to be incurred by the developer and could not form part of consideration.

On limitation, the Court held that the entire process must conclude within six years. Since the final order was passed beyond that period, it was time barred and unsustainable.

Romell Real Estate Pvt. Ltd. v. The State of Maharashtra & Ors. ,Writ Petition No. 18259 of 2024



Ananya Jain

Authorities Cannot Forfeit Earnest Money When Their Own Lapse Causes the Default

High Court of Jammu & Kashmir and Ladakh held that a public authority cannot mechanically invoke a forfeiture clause when the alleged default is attributable to its own failure. Justice Wasim Sadiq Nargal ruled that the Jammu Development Authority acted arbitrarily in seeking to forfeit earnest money and cancel allotment of land that was already encroached at the time of auction.

The petitioner had deposited ₹25.50 lakh pursuant to a 2011 auction. However, the plot was under encroachment, a fact known to the authority. Despite retaining the money for over fifteen years, possession was never handed over.

The Court held that public authorities must act fairly and transparently, and cannot take advantage of their own inaction. Forfeiture was declared unjustified, and the JDA was directed to recalculate the sale consideration at 2011 rates, allot encumbrance free land along with alternate land for the encroached portion, and pay ₹50,000 as costs for arbitrary conduct and unjust enrichment.

Changa Ram Va State of J&K, OWP No. 1386/2016



Ananya Jain



Quick Bites

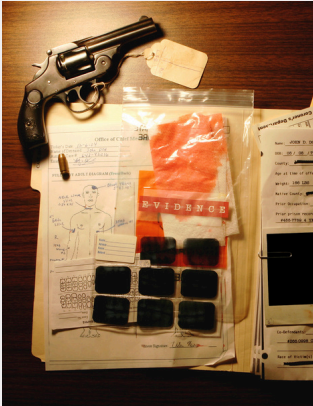
Authorities Cannot Forfeit Earnest Money for Their Own Failure



The High Court of Jammu & Kashmir and Ladakh held that a public authority cannot invoke forfeiture when the default arises from its own lapse. Where land auctioned by the authority was already encroached and possession was never given, forfeiture of earnest money was declared arbitrary and unjustified.

Case Title: Changa Ram Va State of J&K, OWP No. 1386/2016

Litigation



Murder Conviction Can Be Upheld Even If Police Fail to Recover the Weapon Used in the Crime

The Supreme Court upheld a murder conviction, holding that non recovery of the weapon of offence does not weaken the prosecution case when credible ocular evidence exists. Dismissing the appeal, the Bench observed that consistent and trustworthy eyewitness testimony, corroborated by medical evidence, is sufficient to sustain conviction. The accused had argued that failure to recover swords, axes, or firearms created doubt. Rejecting this contention, the Court held that recovery of weapon is not a sine qua non for conviction. Investigative lapses cannot automatically benefit the accused when the overall evidence establishes guilt beyond reasonable doubt.

GHANSHYAM MANDAL AND ORS. VERSUS THE STATE OF BIHAR RESPONDENT (NOW JHARKHAND), CRIMINAL APPEAL NO.3105 OF 2025



Ananya Jain

Limitation Begins When Identity of the Accused is Known

The Supreme Court set aside the Kerala High Court order quashing criminal proceedings under the Drugs and Cosmetics Act on limitation grounds. The Court held that under Section 469(1)(c) CrPC, the limitation period begins when the identity of the accused becomes known to the competent authority, not from the date of the first complaint. Since the accused were identified on April 18, 2006, the complaint filed on January 20, 2009 was within the three year limit under Section 468(2)(c) CrPC. The Court also ruled that omission of a Section 202 inquiry does not invalidate complaints filed by public servants in official discharge.

THE STATE OF KERALA & ANR. Vs. M/s. PANACEA BIOTEC LTD. & ANR., SPECIAL LEAVE PETITION (CRIMINAL) NO.4524 OF 2023



Ananya Jain

Limitation Begins When the Accused Is Identified



The Supreme Court held that under Section 469(1)(c) CrPC, the limitation period starts when the identity of the accused becomes known to the competent authority. A complaint filed within the statutory period from that date is valid, even if the initial complaint was earlier.

Case: THE STATE OF KERALA & ANR. Vs. M/s. PANACEA BIOTEC LTD. & ANR., SPECIAL LEAVE PETITION (CRIMINAL) NO.4524 OF 2023


Corporate

The Supreme Court held that telecom spectrum, being a material resource of the community in the constitutional sense, cannot be treated as an asset of a corporate debtor under the Insolvency and Bankruptcy Code, 2016. Interpreting Section 4 of the Indian Telegraph Act, 1885 and constitutional principles governing natural resources, the Court ruled that spectrum ownership and control vest exclusively in the Union, and that a telecom licence grants only a limited, conditional and revocable right to use spectrum. The Court clarified that accounting recognition of spectrum as an intangible asset does not determine legal ownership, and that the IBC cannot be used to restructure or override the statutory telecom regime. Consequently, spectrum cannot form part of the insolvency estate nor be subjected to CIRP proceedings. The appeals were allowed in favour of the Union of India.

Case: State Bank of India v. Union of India & Ors. with connected cases
Citation: 2026 LiveLaw (SC) 152



Siddharth Dewalwar



Quick Bites


Spectrum Is Not an Insolvency Asset



The Supreme Court held that telecom spectrum remains a sovereign resource of the Union and cannot form part of a corporate debtor's insolvency estate under the IBC. A telecom licence grants only a limited right to use spectrum, not ownership.


Case Title: State Bank of India v. Union of India & Ors. with connected cases
Citation: 2026 LiveLaw (SC) 152

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Quick Bites

IBC Overrides: CIRP Cannot Be Stalled By Pending Scheme



The Supreme Court ruled that a pending or defunct Scheme of Arrangement cannot stall Corporate Insolvency Resolution Process (CIRP). Once debt and default are established under the IBC, insolvency proceedings must continue, as Section 238 gives the IBC overriding effect over conflicting laws.

Case Title: Omkara Assets Reconstruction Private Limited v. Amit Chaturvedi & Ors.
Citation: 2026 LiveLaw (SC) 191

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The Supreme Court held that a defunct or pending Scheme of Arrangement under the Companies Act cannot stall initiation or continuation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016. Reiterating that proceedings under Section 7 of the IBC are independent and must be determined solely on the existence of debt and default, the Court ruled that the IBC, by virtue of Section 238, has overriding effect over inconsistent provisions of other laws, including the Companies Act. Setting aside the NCLAT's order which had kept CIRP in abeyance due to pendency of a scheme before the High Court, the Court restored the Adjudicating Authority's order and allowed continuation of CIRP, emphasizing that insolvency resolution cannot be delayed by parallel or legally infirm proceedings.

Case: Omkara Assets Reconstruction Private Limited v. Amit Chaturvedi & Ors.
Citation: 2026 LiveLaw (SC) 191

Citation: 2026 LiveLaw (SC) 156



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Corporate

The Supreme Court reiterated that admission of an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 is mandatory once the existence of a financial debt and default is established, leaving the Adjudicating Authority with no discretion to refuse admission. The Court held that the scope of enquiry at the admission stage is limited to verifying default from records of information utilities or evidence furnished, and that issues relating to viability, inability to pay, or disputed considerations are irrelevant at this stage. Distinguishing Vidarbha Industries, the Court affirmed that in the absence of exceptional circumstances, CIRP must be admitted upon proof of default and that benefit under Section 10A cannot be invoked where the initial date of default predates the protected period. The appeal against admission of CIRP was accordingly dismissed.

Case: Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan & Ors.
Citation: 2026 LiveLaw (SC) 174



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Quick Bites

Restructuring Resets Limitation Under IBC



NPA classification alone does not start limitation.

Fresh restructuring agreements and balance sheet acknowledgments revive the debt and restart the limitation period.

Case Title: B Prashanth Hegde v. State Bank of India & Anr.
Citation: 2026 LiveLaw (SC) 156

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Quick Bites

CIRP Admission Becomes Mandatory Once Debt & Default Are Proven



The Supreme Court reaffirmed that admission of a CIRP application under Section 7 of the Insolvency and Bankruptcy Code, 2016 is mandatory once financial debt and default are established. The Adjudicating Authority has no discretion to reject admission at this stage, as its role is limited to verifying the existence of default from available records.

Case Title: Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan & Ors.
Citation: 2026 LiveLaw (SC) 174

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The Supreme Court held that a bank's internal classification of a loan account as NPA for accounting or provisioning purposes does not by itself determine the commencement of limitation under the Insolvency and Bankruptcy Code, particularly where the debt has subsequently been restructured and acknowledged through fresh agreements. The Court ruled that restructuring arrangements and fresh consortium agreements acknowledging subsisting liabilities constitute valid acknowledgments under Section 18 of the Limitation Act and give the debt a fresh period of limitation, with later NPA dates becoming relevant for computing limitation. It further reiterated that balance sheets signed by a director amount to valid acknowledgment of debt, extending limitation, and upheld the maintainability of the Section 7 insolvency proceedings as being within time. The appeal was accordingly dismissed.

Case: B Prashanth Hegde v. State Bank of India & Anr.



Siddharth Dewalwar

Corporate

SEBI Mandates Social Media Disclosure for Regulated Entities

On 26 February 2026, the Securities and Exchange Board of India (SEBI) issued a circular introducing new disclosure requirements for entities regulated by SEBI that use social media to share securities market-related content. The move is part of SEBI's broader initiative to promote Ease of Doing Investment (EoDI) while strengthening investor protection in the rapidly expanding digital information ecosystem.

Under the circular, all SEBI-regulated entities and their agents must prominently disclose their registered name and SEBI registration number on their social media handles. This information must appear both on the homepage or profile of the social media account and at the beginning of every post, video, or other communication that relates to the securities market.

The requirement applies to a wide range of intermediaries regulated under Section 12 of the SEBI Act, including stock brokers, depository participants, investment advisers, research analysts, mutual funds and asset management companies, portfolio managers, alternative investment funds, REITs, InvITs, and other registered market participants. Agents of such entities, including distributors, are also required to comply with these disclosure norms.

Where an entity holds only a single SEBI registration, that registration number must be disclosed in all communications. Entities with multiple registrations must provide a link on their social media profile directing users to a webpage listing all their SEBI registrations, while each post must disclose the registration relevant to the capacity in which the entity is communicating.

The circular reflects SEBI's recognition that social media has become a major channel for financial content and investment-related communication. By mandating clear disclosure of regulatory credentials, SEBI aims to help investors easily identify whether online financial content originates from a registered and accountable source.



Akshita Agarwal

Financial Content Online? Show Your SEBI Credentials.



SEBI now requires regulated entities to prominently disclose their registered name and SEBI registration number on social media profiles and securities-related posts.

SEBI Circular on Mandatory Disclosure of Registered Name and Registration Number on Social Media Platforms
(Circular No. HOI(78)2026-MRSD-PODMC, dated 26 February 2026)



Corporate

Country of Origin Filter Mandated for Imported Products on E-commerce Platforms

The Government of India has notified the Legal Metrology (Packaged Commodities) Amendment Rules, 2026, introducing a new disclosure requirement for e-commerce platforms selling imported goods. Issued by the Ministry of Consumer Affairs, Food and Public Distribution under the Legal Metrology Act, 2009, the amendment modifies the Legal Metrology (Packaged Commodities) Rules, 2011 and will come into effect from 1 July 2026.

The amendment inserts a new provision, Rule 6(10A), which requires e-commerce entities listing imported products to provide a searchable and sortable filter specifying the country of origin. Online marketplaces must therefore enable consumers to identify imported products and view listings based on their country of manufacture.

The amendment is aimed at improving transparency in digital marketplaces by ensuring that country-of-origin information is easily accessible to consumers while browsing products online.

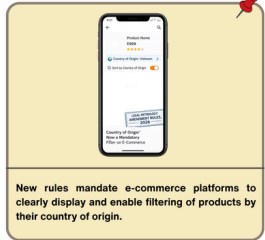


Akshita Agarwal



Quick Bites

Transparency Comes to Online Marketplaces



New rules mandate e-commerce platforms to clearly display and enable filtering of products by their country of origin.

Notification No. G.S.R. 128(E), dated 13 February 2026 - The Legal Metrology (Packaged Commodities) Amendment Rules, 2026 issued by the Ministry of Consumer Affairs, Food and Public Distribution.

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