

LEXPORT NEWSLETTER

NOVEMBER 2025 | Week 4

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



Disclaimer

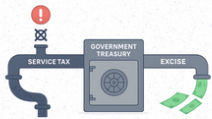
The information contained in this Newsletter is for general purposes only and Lexport is not, by means of this newsletter, rendering legal, tax, accounting, business, financial, investment or any other professional advice or services. This material is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Further, before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Lexport shall not be responsible for any loss sustained by any person who relies on this newsletter. Hyperlinks to third party websites provided herein are for bona fide information purposes only, and must not be construed to be indicative of any formal relationship between Lexport and such third parties.

Indirect Tax



Quick Bites

When the Tax Portal Fails, Compliance Shouldn't: DHC Protects Valid Pre-Deposits



- Service Tax Portal Failure After GST Migration Cannot Punish Taxpayers
- Pre-Deposit Made Under the Excise Ledger, if Credited to Government Treasury, is Valid
- CESTAT Was Wrong to Reject the Appeal on a Mere Technicality
- Defect Treated as Automatically Cured
- Navin Road Lines V. Assistant Registrar, CESTAT – DHC Upholds Fairness Over Formality

Delhi | Bengaluru
www.lexport.in

Delhi HC: Pre-Deposit Under Wrong Head Valid If Tax Portal Non-Functional; CESTAT Cannot Reject Appeal

The Delhi High Court ruled that taxpayers cannot be penalised for depositing the mandatory pre-deposit under the Excise head when the Service Tax portal is non-functional post-GST migration. If the amount has already been credited to the Government exchequer, the appeal cannot be rejected on a technical ground.

In Navin Road Lines v. CESTAT, the Court held that the deposit of ₹1,49,190 under the Excise ledger must be treated as a valid pre-deposit for a Service Tax appeal, and CESTAT was wrong to refuse to entertain the appeal on this basis. The defect was deemed automatically cured.

Case: Navin Road Lines v. Assistant Registrar, CESTAT
Case No.: W.P.(C) 5464/2025
Court: Delhi High Court



Siddhart Dewalwar

Techsync Case: Delhi HC Calls for Uniform National Policy, Fines Customs ₹25,000 Per Petition

The Delhi High Court criticised Customs for harassing importers of body massagers, dismissed its review plea, and imposed Rs.25,000 costs per petition.

The Court found that:

Similar products by other companies were freely cleared.

Massagers for general wellness do not need DCGI approval.


EPR certificates can be obtained even after release of goods.

Holding that Customs concealed material facts, the Court upheld provisional release and reaffirmed the need for a uniform national policy on such imports.

Case: Techsync v. Superintendent of Customs
Case No.: W.P.(C) 3542/2025
Court: Delhi High Court




Siddhart Dewalwar



Quick Bites

When Law Books Mislead: HC Steps In to Prevent Hardship



- Customs Wrongly Targeted One Importer While Similar Massagers from Other Brands Were Freely Cleared
- Court Held that General Wellness Massagers Do Not Require DCGI Approval
- EPR Certificates Can Be Obtained Even Post-Clearance; Not a Valid Ground for Obstruction
- Customs Concealed Material Facts and Filed an Unjustified Review Petition
- Delhi High Court Imposed ₹25,000 Costs Per Petition for Harassment
- Judgment Reiterates the Need for a Uniform National Policy for Wellness-Device Imports

Delhi | Bengaluru
www.lexport.in

Indirect Tax

Lexport
Interpreting India
for commerce

Quick Bites

DGFT Launches NTM Mapping Drive
- Exporters, Your Inputs Matter

- DGFT Invites Exporters to Share Details of Global Non-Tariff Measures Within 7 Days
- Part of the New Export Promotion Mission (Budget 2025–26)
- Aims: Build India's First Central Database of Compliance Barriers
- Helps Streamline Export Credit, Factoring and Regulatory Navigation

Delhi | Bengaluru
www.lexport.in

DGFT seeks data on Non-Tariff Measures for Indian exports

DGFT has invited exporters and industry bodies to submit details of Non-Tariff Measures (NTMs) within 7 days via an online form, as part of the Export Promotion Mission (EPM) announced in Budget 2025–26.

Objective: Create a central database to map global compliance barriers and ease access to export credit and cross-border factoring.

Information requested includes:

Type of certification/inspection/testing

Mandatory or voluntary status

Sector impacted

Cost and validity

Applicable country/region

Recognised labs or certifying bodies

Practical compliance challenges

This initiative aims to support exporters in navigating overseas regulatory requirements more effectively.



Siddhart Dewalwar



Indirect Tax

Supreme Court: No Pre-Notice Consultation When ST-3 Not Filed; Writ Not Maintainable Where Suppression Alleged

Shashi Galvanising Pvt. Ltd. Versus Principal Commissioner of CGST and Central Excise

In *Shashi Galvanising Pvt. Ltd. v. Principal Commissioner of CGST and Central Excise* (SLP (C) Diary No. 54784/2025, decided on 3 November 2025), the Supreme Court upheld the High Court's view that pre-notice consultation is not mandatory when the assessee has failed to file the statutory ST-3 return. The petitioner had neither furnished the ST-3 return nor submitted the documents and information sought by the department. The authorities alleged suppression of facts with an intention to evade service tax.

The High Court held that in such circumstances, the requirement of pre-consultation before issuance of a demand and show-cause notice does not arise. The Supreme Court found no reason to interfere and dismissed the SLP.

Further, the Court affirmed that writ jurisdiction under Article 226 cannot be invoked when the matter involves factual determination by authorities, particularly allegations of suppression or fraud. Where such disputed questions of fact exist and an alternative statutory remedy is available, the High Court should refrain from exercising writ jurisdiction.

The dismissal reiterates that procedural safeguards like pre-consultation are not absolute and that issues involving fraud or suppression must proceed through the statutory adjudicatory framework under Section 35L of the Central Excise Act, 1944, read with Section 83 of the Finance Act, 1994.



Shelley Singh



CESTAT: Commissioner (Appeals) Must Condonate Delay When Sufficient Cause Shown

The CESTAT Mumbai ruled that when an assessee provides a valid reason for delay within the condonable 30-day period, the Commissioner (Appeals) must condone it and cannot reject the appeal on limitation without considering the merits. The Tribunal held that Gold Seal Engineering Products Pvt. Ltd. had shown sufficient cause — its consultant's unavailability after GST rollout — for the 26-day delay in filing. The dismissal of the appeal was therefore unsustainable, and the demand of ₹2.64 lakh was set aside.

Case Title: Gold Seal Engineering Products Pvt. Ltd. v. Commissioner of CGST & Central Excise, Navi Mumbai Commissionerate
Case No.: Excise Appeal No. 87141 of 2023



Siddhart Dewalwar

Indirect Tax

Calcutta High Court: Belated Challenge to GST Inspection Not Entertainable; Statutory Appeal Directed

Stores Cement Versus State of West Bengal

In *Stores Cement v. State of West Bengal* (W.P.A. 1825/2025, decided on 27 October 2025), the Calcutta High Court declined to entertain a writ petition challenging a GST inspection conducted under Section 67(1). The petitioner assailed the inspection on the grounds of absence of “reasons to believe” and lack of proper authorization under Rule 139. However, the challenge was raised in August 2025, over two years after the 24 February 2023 inspection and nine months after the Order-in-Original dated 19 November 2024. The Court noted that no explanation was provided for this significant delay, especially when a statutory appeal under Section 107 was available and the limitation period had already expired.

The Court held that such a belated attack on the inspection was impermissible under Article 226, particularly where the petitioner had participated in adjudication proceedings without raising any grievance. The petitioner’s plea of non-supply of relied-upon documents was also rejected since the order showed participation on merits, and no contemporaneous request for documents or objection had ever been made. Thus, no violation of natural justice was established.

Upon being denied writ relief, the petitioner sought liberty to file a statutory appeal. Considering that the writ had remained pending, the Court permitted the petitioner to file the appeal within 30 days of receiving the server copy of the order, subject to the mandatory pre-deposit under Section 107(6). The appellate authority was directed to hear the appeal on merits without dismissing it on limitation, with all issues left open.



Shelley Singh



Karnataka High Court: Demand Cannot Exceed Show-Cause Notice; Order Set Aside for Breach of Section 75(7) Prestige Nottingham Investments Versus Union of India

In *Prestige Nottingham Investments v. Union of India* (W.P. No. 18888 of 2025 (T-RES), decided on 13 October 2025), the Karnataka High Court examined a clear violation of Section 75(7) of the CGST Act. The show-cause notice had proposed a demand of Rs. 2.49 crores, to which the assessee duly submitted a reply. Despite this, the respondent passed an Order-in-Original confirming a much higher demand of Rs. 6.93 crores. The assessee’s rectification application was later rejected.

The Court reiterated the statutory mandate that the amount of tax, interest and penalty confirmed in the final order cannot exceed the amount proposed in the show-cause notice, nor can the adjudicating authority confirm a demand on grounds not specified in the notice. By issuing an order with a substantially higher demand, the authority had acted contrary to Section 75(7), resulting in a violation of natural justice.

Holding that the impugned order was unsustainable, the High Court set it aside. The ruling reinforces that adjudicating authorities must adhere strictly to the boundaries of the show-cause notice and cannot enlarge the scope of proceedings at the stage of final order.



Shelley Singh

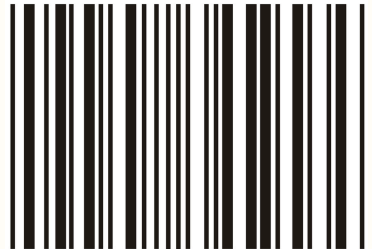
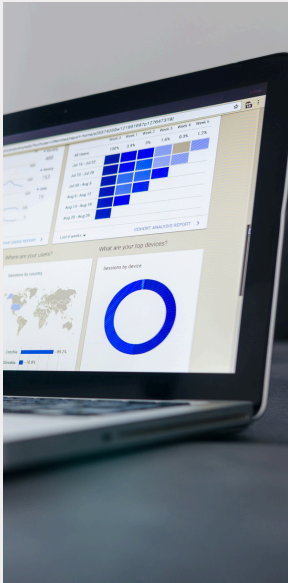
Indirect Tax

CBIC launches SWIFT 2.0 as a unified digital single-window platform integrating AQCS, PQMS, and FSSAI for NOC processing:
Circular

The CBIC has introduced SWIFT 2.0 as a fully digital, data-driven single-window system to act as a single touch point for all EXIM NOC clearances. The upgraded platform enables automated data exchange, online submission of additional fields and documents, unified dashboards, real-time alerts etc. In the first phase, AQCS, PQMS, and FSSAI have been onboarded with mandatory filing on SWIFT 2.0 effective from 01.12.2025.



Shelley Singh



MADE IN CHINA

Delhi High Court Upholds Provisional Release Conditions for Seized ‘Made in China’ Tempered Glass; Petitioner Free to Pursue Appeal

Sonaram Bagadaram Mali Versus Commissioner of Customs In Sonaram Bagadaram Mali v. Commissioner of Customs (W.P. (C) 13649/2025, decided on 4 September 2025), the Delhi High Court declined to interfere with the order directing provisional release of a large consignment of tempered glass seized from a Girls PG. The goods bore “Made in China” labels and were valued at approximately Rs. 56 lakhs. The petitioner claimed the items were locally manufactured and purchased under invoices, but failed to produce any such documents. The presence of foreign-origin labels on all units contradicted his assertion.

The Court observed that even assuming local manufacture, affixing “Made in China” labels to mislead consumers and obtain higher prices was against public interest, especially in the context of policies encouraging domestic manufacture. The substantial quantity seized 4,99,020 units and the petitioner’s inability to furnish invoices justified the Customs authorities’ suspicion of smuggling or misdeclaration.

Upholding the provisional release order issued under Sections 110(1) and 110A of the Customs Act, the Court held that requiring a bond equal to the assessable value and a bank guarantee of Rs. 29,75,189 was neither arbitrary nor excessive. The petitioner was granted liberty to avail the statutory appellate remedy against the provisional release order and was advised to cooperate with the investigation to seek lawful assessment or release of the goods.



Shelley Singh

Intellectual Property Rights

Delhi High Court Decrees Suit Against User of 'Verizon Safety', Orders Permanent Takedown of All Listings

The Delhi High Court permanently restrained the Defendant from using the trademarks VERIZON, VERIZON SAFETY or any similar variants, after he admitted to compliance and agreed to suffer a decree. Justice Tejas Karia noted that despite earlier directions, the defendant failed to appear or file the required undertaking, prompting the Court to issue bailable warrants. Once he appeared, the defendant filed an affidavit confirming he had stopped all use of the infringing marks and domains, including verizonsafety.com. The Court decreed the suit in the Plaintiff's favour on the strength of this admission and directed the defendant to bear litigation costs, given his non-compliance and delays. It also allowed the Plaintiff to circulate the order to third-party platforms including IndiaMART, JustDial, Meta, TradeIndia and others to ensure permanent removal of any remaining infringing listings or posts. [Verizon Trademark Services LLC & Ors. v. Amresh Kamat, CS(COMM) 245/2025]



Anushka Tripathi



Delhi HC Exposes Fraudulent SignatureGlobal Clone Website



A Deceptive Clone Website Replicated Signatureglobal's Branding, Images, Layouts and Identity Markers

After Examining the Copied Elements, the Delhi High Court Held that Such Impersonation Posed Serious Risks to Homebuyers

The Court Granted an Ex Parte Ad-Interim Injunction, Directing Domain Lock, Suspension and Disclosure of the Registrant's Identity

Delhi | Bengaluru

www.lexport.in

Delhi High Court Shuts Down Fake 'SignatureGlobal' Real Estate Website, Citing Fraud and Identity Theft

The Delhi High Court granted an ex parte ad-interim injunction in favour of Signatureglobal (India) Ltd., restraining unidentified defendants from operating the deceptive website signatureglobal.com, which was found to be an almost pixel-by-pixel clone of the company's official site. Justice Tejas Karia noted that the impugned site copied the Plaintiff's trademark, layouts, project photos, enquiry forms, corporate addresses, and even photographs of its Chairman and Board, clearly designed to impersonate the company and dupe homebuyers. The Court held that the imitation extended to copyrighted content, including images and design elements from the genuine website. Given the risk of fraud and financial harm to the public, the Court ordered GoDaddy to lock and suspend the domain within 72 hours and directed the domain privacy service to disclose complete registrant details in a sealed cover. [Signatureglobal (India) Ltd. v. Ashok Kumar & Ors., CS(COMM) 1209/2025]



Anushka Tripathi

Intellectual Property Rights

Fair Hearing Must Include Consideration of Amended Claims

In *Medilabo RFP Inc. v. Controller of Patents*, the Delhi High Court set aside the Patent Office's refusal of Patent Application No. 202117034705, a prophylactic/therapeutic drug composition for neurodegenerative diseases which was earlier rejected under Section 3(i) of the Patents Act as being "related to a method of treatment." The Court emphasized that patentability must be determined based on claim language, in line with Section 10(4) (c), not merely on end use or administration route. Medilabo had amended its claims during the hearing to remove references to dosage regimen and administration, clearly positioning the invention as a composition claim, not a treatment method. The Controller, however, failed to consider these amendments. The court also highlighted that pharmaceutical compositions with therapeutic application are not automatically excluded from protection under Section 3(i) aligning with precedent such as *Bayer Pharma and Societe Des Produits Nestle*.



Swagita Pandey



Hermès Birkin Shape & Marks Officially Recognized as Well-Known in India

In *Hermès International & Anr. v. Macky Lifestyle Pvt. Ltd.*, the Delhi High Court decreed the suit in favour of Hermès after the Defendants submitted, through an affidavit, that they had never manufactured or sold any bags identical or deceptively similar to the iconic Birkin, had shut down their business, and the images used were merely downloaded product references from the internet not actual goods. The court passed a decree for trademark and copyright infringement, passing off, dilution and related reliefs, in terms of prayers. Hermès also sought recognition of its rights under Section 11(6) of the Trade Marks Act and the Court granted it. The Court acknowledged extensive global and Indian reputation, decades of use, global enforcement, and wide consumer recognition of:

- The 3D shape mark of the Birkin Bag
- The mark HERMÈS
- The stylized Duc-carriage-with-horse logos

Accordingly, all these Subject Marks were declared well-known trademarks in India under Section 2(1)(zg).



Swagita Pandey

Intellectual Property Rights

Family of Major Mohit Sharma Moves Delhi HC Seeking Stay on 'Dhurandhar' for Unauthorised Use of His Life Story

The parents of Major Mohit Sharma have moved the Delhi High Court seeking an urgent stay on the release of *Dhurandhar*, alleging the film "appears to be directly inspired" by their son's life and martyrdom without their consent. They argue that the film's trailer, character design, military backdrop and narrative "unmistakably mirror" Major Sharma's undercover operations and death in a 2009 encounter in Kupwara, a portrayal which allegedly infringes their family's and the martyr's posthumous rights to privacy, dignity and reputation under Article 21. The petition names the Ministry of Information & Broadcasting, Central Board of Film Certification (CBFC), ADGPI (Army's Public Information wing), Indian Army, the film's director-producer Aditya Dhar, and its producers as respondents. The plea also requests a private screening for the family before any public release, and a broader declaration that no film based on a real military martyr should be released without prior authorisation from the legal heirs and the Army.

The film's director, Aditya Dhar, has publicly denied the connection. He clarified that *Dhurandhar* is not based on Major Mohit Sharma's life, stating that any future biopic would only be made with the family's full consent and collaboration.



Anushka Tripathi



Delhi HC Shuts Down 'ANANTARA' Lookalikes



- Plaintiffs: Owners of the Globally Recognised ANANTARA Hospitality Brand
- Defendants Continued Using Deceptively Similar Marks Even After WIPO Rulings & Notices
- Court Found Clear Visual, Structural & Phonetic Similarity + Mala Fide Intent
- Consumer Complaints Revealed Confusion & Reputational Harm
- Result: Ad-Interim Injunction Restraining all Infringing Domains & Marks

Swift Intervention to Protect Global Reputation

Delhi | Bengaluru

www.lexport.in

Hon'ble Delhi High Court Grants Ad-Interim Injunction Against Use of 'ANANTARA' Formative Marks

The Hon'ble Delhi High Court granted an ad-interim injunction in favour of the plaintiffs, proprietors of the internationally renowned hospitality mark ANANTARA, restraining the defendants from using deceptively similar marks and domain names for identical hotel, resort, and vacation-club services. Despite cease-and-desist notices and adverse WIPO rulings, the defendants continued launching new infringing domains, prompting the Hon'ble Court to find clear visual, structural, and phonetic similarity as well as deliberate, mala fide intent to ride on the plaintiffs' goodwill. The Hon'ble Court noted consumer complaints reflecting poor services under the impugned marks, which created reputational harm and confusion among the public. Holding that the plaintiffs had established a prima facie case, and that irreparable injury would result absent restraint, the Hon'ble Court barred the defendants from using the infringing marks and operating associated websites until the next hearing. [Mhg Ip Holding Singapore Pte Ltd & Ors vs Club Anantara Suites And Retreat & Ors (CS(COMM) 1229/2025)]



Ananya Singh

Litigation

TCNS Clothing Company Limited Vs. Sunil Kumar & Anr., 2025: DHC:10062-DB

The Division Bench of Hon'ble Delhi High Court held that although the leased premises were located in a residential zone, the parties had expressly executed a commercial lease and the property was actually used as a TCNS retail showroom, bringing the dispute within the Commercial Courts Act. Relying on *Ambalal Sarabhai*, the Court emphasized that "actual use" for trade or commerce determines jurisdiction, and municipal zoning violations are regulatory issues that do not make the lease void under Section 23 of the Contract Act. Court rejected the District Judge's contrary view, noting that excluding businesses operating in mixed-use areas would defeat the purpose of the Act. Applying the principle that parties cannot benefit from their own wrong, the Court held that the landlord could not deny the commercial nature of the lease and allowed the appeal.



Shyam Kishor Maurya

Lexport
Interpreting India for commerce

Quick Bites

Purpose Over Labels: Actual Use Brings Lease Under Commercial Courts Act

TCNS

ACTUAL USE DETERMINES JURISDICTION

Commercial Courts Act Applies

Function over zoning. Use defines categorisation.

The Delhi High Court Held that a Lease Cannot Escape Commercial Scrutiny Simply Because the Property Lies in a Residential Zone. Since the Showroom Was Actually Run as a TCNS Retail Outlet, The Case Rightfully Fell Under the Commercial Courts Act.

- Actual Use > Zoning Labels
- Businesses in Mixed-Use Areas Still Qualify for Commercial Jurisdiction

Delhi | Bengaluru
www.lexport.in

Lexport
Interpreting India for commerce

Quick Bites

Arbitration Isn't a Second Trial — Section 34 Respects the Arbitrator's Findings and Appreciation of Evidence

THE CHALLENGE

1992
2016
2025

Section 34 is NOT an Appeal.

THE COURT'S PRINCIPLE

Arbitrator = Master of Evidence

Courts Respect Findings — Unless Pervasive or Illegal

The Hon'ble Delhi High Court Reaffirmed a Vital Arbitration Principle — Courts Under Section 34 Cannot Re-Evaluate Evidence or Act as Appellate Bodies.

In the *NBCC Vs. Sharma Enterprises* Case, the Arbitrator's Findings on Delays, Spec Changes and Site Access Issues Were Upheld, with Only a Modification to the Interest Awarded.

Delhi | Bengaluru
www.lexport.in

National Building Construction Corporation Vs. Sharma Enterprises, 2025: DHC:10215

The Hon'ble Delhi High Court, while hearing NBCC's challenge to an arbitral award, reaffirmed that an arbitrator is the master of evidence and that courts under Section 34 of the Arbitration Act cannot reappreciate facts or sit in appeal unless perversion or illegality is shown. The dispute concerned NBCC's 1992 termination of a subcontract for flooring and cladding works, after which the arbitrator in 2016 awarded Sharma Enterprises Rs. 53.28 lakh and rejected NBCC's counterclaims. Relying on the arbitrator's factual findings on extensive delays attributable to NBCC, changes in specifications, lack of site access, and wrongful encashment of bank guarantees, the Court upheld most of the award. It interfered only on the issue of pendente lite interest due to a contractual bar, thereby partially allowing NBCC's challenge.



Shyam Kishor Maurya

Litigation

Balaji Steel Trade Vs. Fludor Benin S.A. & Ors., 2025 INSC 1342

The Hon'ble Supreme Court dismissed a plea for appointment of an arbitrator, holding that Indian courts lack jurisdiction where the principal contract is governed by foreign law and designates a foreign seat, here, the Benin-seated arbitration under the Buyer-Seller Agreement (BSA). It ruled that the BSA was the mother agreement, and ancillary contracts with India-seated clauses could not override the party's deliberate choice of Benin as the juridical seat. Reiterating BALCO (2012) and BGS SGS SOMA (2020), the Court held that Part I of the Arbitration Act, including Section 11, does not apply to foreign-seated arbitrations. The petitioner's reliance on the Group of Companies doctrine was rejected, and the arbitration petition was accordingly dismissed.



Shyam Kishor Maurya

Lexport
Interpreting India for commerce

Foreign Seat Prevails: Supreme Court Affirms Benin as the Binding Arbitration Venue

Part I of Arbitration Act does not apply to foreign-seated arbitrations

Mother Agreement Foreign Law = Benin Seat = Binding Choice

- Benin Designated as the Juridical Seat Under the BSA
- Indian Courts Cannot Invoke Section 11 for Foreign-Seated Arbitrations
- BSA = Mother Agreement; Ancillary India-Seated Clauses Cannot Override
- Part I of the Arbitration Act Inapplicable to Foreign Seats as Per BALCO & BGS SGS SOMA Cases

Delhi | Bengaluru www.lexport.in



Quick Bites

Delhi High Court Clarifies: Post-Award Interest Applies Only on Principal, Not on Pendente Lite Sums



- Delhi High Court Reaffirms That Post-Award Interest Applies Only on the Principal Sum, Not to Pendente Lite Interest
- Pendente Lite Interest Remains a Separate, Fixed Component – Not Capitalised
- Since BSNL Paid The Full Principal and Awarded Sums, no Further Interest Was Payable
- Execution Petition: Disposed of

Delhi | Bengaluru

www.lexport.in

BWL Limited (formerly known as Bhilai Wires Ltd.) Vs. Bharat Sanchar Nigam Limited, OMP (ENF.) (COMM.) 247/2023; 2025: DHC:10174

The Hon'ble Delhi High Court considered whether post-award interest should be calculated only on the principal amounts or on the principal plus pendente lite interest under an arbitral award involving BSNL and BWL Ltd. It held that the Division Bench had expressly limited pendente lite interest to a lump-sum amount and had not capitalised it into the principal 'sum'. The Supreme Court's modification extended only the time period for interest and did not enlarge the base amount on which post-award interest would accrue. Since BSNL had already paid the awarded sums, no further interest was held payable, and the execution petition was disposed of.



Shyam Kishor Maurya

Litigation

Lexport
Interpreting India for commerce

Quick Bites

LoI Isn't a Promise – It's a Question That Needs Answers

The Supreme Court Has Made It Clear:

A Letter of Interest (LoI) Creates No Vested Rights Until Every Condition is Fulfilled.

In This Case, Failure to Meet Essential Technical Standards Meant No Enforceable Contract – And No Valid Claim Under "Legitimate Expectation." Courts Won't Convert Intentions Into Entitlements.

Rights Aren't Granted By Belief – They're Earned By Proof

Delhi | Bengaluru www.lexport.in

State of Himachal Pradesh & Anr. versus M/s OASYS Cybernetics Pvt. Ltd., SLP (C) No. 6531/2025

The Supreme Court upheld the Himachal Pradesh government's cancellation of a Letter of Interest (LoI) issued to a private company for supplying ePoS devices under the Public Distribution System, holding that an LoI creates no enforceable or vested rights until all stipulated preconditions are fulfilled. Relying on Dresser Rand and Tata Cellular, the Court reiterated that an LoI signifies only an intention to contract and remains provisional until unconditional acceptance. It found that the respondent-company failed to meet essential technical requirements, including NIC software compatibility and live demonstrations. The doctrine of legitimate expectation was held inapplicable due to the conditional nature of the LoI. Setting aside the High Court's interference, the Court upheld the cancellation but invalidated the subsequent Expression of Interest. The State was directed to issue a fresh tender and reimburse the respondent on a quantum meruit basis for verified assets or services supplied, with such assets vesting in the State. All further claims were barred.



Ananya Jain

G.R. Selvaraj (Dead), through LRs. versus K.J. Prakash Kumar and others, CIVIL APPEAL NO. 8887 OF 2011

The Supreme Court held that a judgment-debtor cannot belatedly challenge an auction sale in execution proceedings once the sale has been completed, particularly when the debtor had prior notice and an opportunity to object before issuance of the sale proclamation. Relying on Order XXI Rule 90(3) CPC, the Bench of Justices Sanjay Kumar and Alok Aradhe ruled that objections which could have been raised at the stage of drawing up the proclamation cannot be entertained later. The Court found that the judgment-debtor, despite being notified, failed to raise objections regarding the possibility of satisfying the decree through a part sale of the property. Having acquiesced in the process, he could not invoke procedural irregularities belatedly. The High Court's order setting aside the auction sale was therefore unsustainable. Emphasizing that the debtor was put on notice at every stage, the Court restored the auction sale in favour of the appellant and allowed the appeal.



Ananya Jain

Lexport
Interpreting India for commerce

Quick Bites

Silence at the Start Cannot Become an Objection at the End

- The Judgment-Debtor Received Notice and the Sale Proclamation, But Raised No Objections at Either Stage
- Under Order XXI Rule 90(3) CPC, Objections that Could Have Been Raised Earlier Cannot Be Entertained Later
- Attempting to Challenge the Sale After the Auction is Completed is Legally Impermissible
- The Supreme Court Held that the Debtor Had Full Opportunity But Chose Silence – And Silence Amounts to Acquiescence

Delhi | Bengaluru www.lexport.in

Litigation



SHRI DIGANT VERSUS M/S. P.D.T. TRADING CO. & ORS., SLP (C) No. 5813/2023

The Supreme Court held that the requirement of seven-day prior notice under the Bombay High Court Appellate Side Rules, 1960, and the Civil Manual applies only when an advocate formally withdraws a vakalatnama, and not when a pursis stating “no instructions” is filed. The Court set aside the High Court’s interference under Article 227, holding that the High Court cannot reappreciate facts or substitute the plausible, reasoned findings of the First Appellate Court. In the eviction proceedings, the defendants’ advocate never withdrew his vakalatnama, and the defendants, despite the case remaining pending for over three months thereafter, made no effort to appear or appoint new counsel. Both the Trial Court and the Appellate Court found the defendants’ conduct evasive and negligent. The Supreme Court held that no procedural unfairness occurred and no jurisdictional error existed to justify supervisory intervention. By applying withdrawal procedures that were never triggered, the High Court exceeded its limited jurisdiction. The appeal was accordingly allowed.



Ananya Jain

Vappinu v Fathima , RPFC 398/ 2018

The Kerala High Court held that a Muslim husband who contracts a second marriage during the subsistence of the first cannot avoid his statutory duty to maintain his first wife by claiming lack of means. Justice Kausar Edappagath dismissed the husband’s revision petition against the Family Court’s order granting maintenance to the first wife. The Court observed that under Muslim law, monogamy is the rule and polygamy is an exception permitted only in exceptional circumstances, and only when the husband can treat all wives equally, including in matters of maintenance. Therefore, the obligation to maintain a second wife does not dilute the husband’s independent statutory duty under Section 144(1)(a) BNSS (formerly Section 125(1)(a) CrPc) towards the first wife. The Court further held that the wife’s decision to live separately due to the husband’s second marriage constitutes sufficient reason and does not bar her claim for maintenance. The claim against the son was rightly rejected, as the husband’s duty is independent. The revision petition was dismissed.



Ananya Jain



Corporate

Digital Personal Data Protection Rules 2025 Notified

The Ministry of Electronics and Information Technology has notified the Digital Personal Data Protection Rules 2025. These Rules give effect to the operational framework under the Digital Personal Data Protection Act 2023 and mark a significant step in strengthening privacy governance in India.

The Rules adopt a phased implementation schedule. Certain preliminary provisions take effect immediately upon publication. Other compliance obligations, including operational processes and consent management requirements, will become effective over the next twelve to eighteen months. This staged rollout is intended to give organisations sufficient time to upgrade their internal systems and compliance structures.

The Rules require Data Fiduciaries to issue clear and easily understandable notices at the time of collecting personal data. These notices must specify the categories of personal data collected, the purpose for which such data is processed, and the manner in which individuals may withdraw consent or exercise their rights. The Rules also introduce formal requirements for the registration and functioning of Consent Managers who will assist users in managing consents across multiple platforms.

Data Fiduciaries must implement reasonable security safeguards, including encryption, access control measures, log retention and backup protocols. In the event of a data breach, both affected individuals and the Data Protection Board must be notified without undue delay, along with details of the breach, its potential impact and the steps taken to mitigate harm.

Special provisions apply to the processing of personal data relating to children and persons with disabilities. Verifiable consent of a parent or lawful guardian is required, and activities that involve tracking or targeted advertising directed at children are restricted.

Overall, the Rules establish a structured compliance framework that emphasises transparency, accountability and responsible handling of personal data.



Akshita Agarwal

SEBI Issues Guidelines for Debenture Trustees on Non-SEBI Regulated Activities

SEBI has issued a circular dated 25 November 2025 providing detailed guidance for Debenture Trustees (DTs) that wish to undertake activities outside SEBI's regulatory jurisdiction. This follows the introduction of Regulation 9C through the amendments to the SEBI (Debenture Trustees) Regulations, 1993, notified on 27 October 2025. The new framework clarifies what additional activities a DT may carry out and the conditions under which these may be undertaken.

Regulation 9C permits DTs to engage in two categories of activities. The first includes activities regulated by another financial sector regulator, such as the RBI, IRDAI, PFRDA, IBBI, IFSCA or the Ministry of Corporate Affairs. The second includes fee-based, non-fund-based financial services that are not regulated by SEBI or any other financial regulator. These activities must be undertaken at arm's length through separate business units. DTs that are also regulated by the RBI must operate trustee functions within a distinct business unit.

The circular sets out several safeguards. Non-SEBI regulated activities must be carried out only through ring-fenced business units with strong internal separation to prevent conflicts of interest. Each unit must have its own grievance redressal mechanism, dedicated staff and separate records. Shared resources such as IT systems may be used only under board-approved processes. DTs must disclose all non-SEBI regulated activities on their websites, with a disclaimer that SEBI's investor protection framework does not apply. Additional disclosures are required where an activity is regulated by another financial sector regulator. Marketing and communication for such activities must also remain separate.

These guidelines reinforce governance standards and improve transparency while allowing DTs to diversify responsibly within a clear regulatory framework.



Akshita Agarwal



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.

Our Legal Team

Srinivas Kotni

Managing Partner, Lexport

Litigation Team

Rohan Garg

Rohit Dutta

Shyam Kishor Maurya

Ananya Jain

IPR Team

Rajlatha Kotni

Swagita Pandey

Ananya Singh

Anushka Tripathi

IDT Team

Srinivas Kotni

Surdeep Singh

Akshay Kumar

Rishab Dev Dixit

Shelley Singh

Corporate Team

Rajiv Sawhney

Akshita Agarwal

Siddhart Dewalwar

Ananya Jain

Anirban Roy, Editor

Chief Operating Officer, Lexport

Contact

Delhi:

Call us: +91-11-2627 0506, 2627 1514, 3551 6872

Email us: delhi@lexport.in

Visit us: K1/114 First Floor, Chittaranjan (C.R.) Park, New Delhi – 110019, India

Bangalore:

Call us: +91-08048501471

Email us: bangalore@lexport.in

Visit us: 516 10th A Cross 29th Main Sector 1 HSR Layout Bangalore - 560 102, India

