Lexport Interpreting India for commerce

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LEXPORT NEWSLETTER

JANUARY 2026 | WEEK 5

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

Indirect Tax

Customs Cannot Alter Contractual FOB Value; Only Assessable Value For Duty Can Be Re-Determined: CESTAT

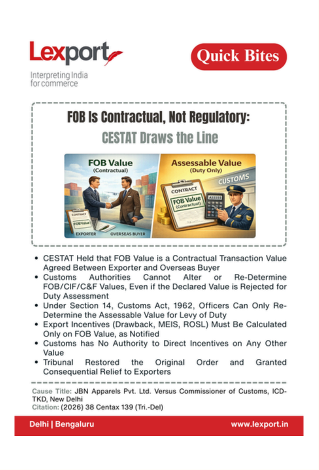
CASE TITLE: JBN APPARELS PVT. LTD. Versus COMMISSIONER OF CUSTOMS, ICD-TKD, NEW DELHI
CITATION: (2026) 38 Centax 139 (Tri.-Del)

The CESTAT, Principal Bench, New Delhi held that FOB value is the contractual transaction value agreed between the exporter and overseas buyer, and Customs authorities have no power to alter or re-determine such FOB value, even where declared value is rejected for assessment purposes.

The Tribunal clarified that Section 14 of the Customs Act, 1962 empowers officers only to re-determine the assessable value for levy of duty, not to modify the FOB/CIF/C&F value, which flows purely from privity of contract. Customs authorities are strangers to the contract and cannot interfere with the agreed consideration.

It was further held that export incentives such as Drawback, MEIS and ROSL, being notified as a percentage of FOB value, must necessarily be calculated on FOB alone. No Customs officer has the authority to direct payment of such incentives on any other value.

Accordingly, the Tribunal set aside the remand and departmental appeals, restored the Order-in-Original, and allowed the exporters' appeals with consequential relief.



Shelly Singh

Indirect Tax

Goods Owner Entitled To Release Under Section 129(1)(a): Allahabad High Court

CASE TITLE: PAL ENTERPRISE Versus STATE OF U.P.

CITATION: (2026) 38 Centax 187 (All.)

The Allahabad High Court (Lucknow Bench) held that where the detained goods belong to the owner, their release must be governed by Section 129(1)(a) of the CGST Act, and not Section 129(1)(b). The Court quashed the detention order in which authorities had wrongly computed tax and penalty under Section 129(1)(b), despite the petitioner being the owner of the goods.

Relying on its earlier decisions in Halder Enterprises v. State of U.P. and S.K. Trading Co., the Court reiterated that once ownership is not in dispute, the statute mandates release under Section 129(1)(a) based on invoice valuation. Enhancement of valuation or application of the higher penalty mechanism applicable to non-owners was held impermissible.

Accordingly, the impugned order dated 08.11.2025 was set aside, and the authorities were directed to release the goods within three weeks strictly in terms of Section 129(1)(a).

Shelly Singh

Indirect Tax

Supreme Court Grants Bail In ₹315 Crore Fake ITC Case, Cites Prolonged Custody & Trial Delay

CASE TITLE: AMIT MEHRA Versus UNION OF INDIA

CITATION: (2026) 38 Centax 280 (S.C.)

The Supreme Court of India has granted bail to an assessee accused of orchestrating a large-scale fake Input Tax Credit (ITC) fraud, holding that prolonged pre-trial incarceration cannot be justified solely on the gravity of economic offences.

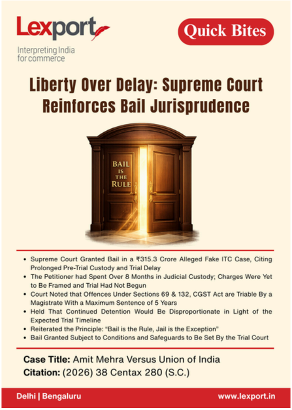
In Amit Mehra v. Union of India, the petitioner was alleged to have set up 44 non-existent/proxy firms and passed on fake ITC through goods-less invoices, causing an alleged loss of about ₹315.3 crore to the public exchequer. Bail had earlier been denied by the Punjab & Haryana High Court, which took a stringent view considering the magnitude of the alleged economic offence.

Allowing the Special Leave Petition, the Supreme Court noted that while the seriousness of the allegations could not be undermined, the petitioner had already remained in judicial custody for over eight months. Crucially, the trial had not commenced, charges were yet to be framed, and even if the trial were to begin shortly, it was unlikely to conclude within one year.

The Bench further observed that the offences under Sections 69 and 132 of the CGST Act, 2017 are triable by a Magistrate, with a maximum prescribed punishment of five years. In such circumstances, continued detention would be disproportionate and contrary to settled bail jurisprudence.

Emphasising that bail is the rule and jail is the exception, especially for under-trial prisoners, the Court exercised its discretion to grant bail, subject to such terms and conditions as the Trial Court may deem fit, including safeguards sought by the tax department.

The ruling reiterates that economic offences, though grave, do not justify indefinite pre-trial custody, and reinforces the constitutional mandate of personal liberty where trials are delayed.



Shelly Singh

Indirect Tax

Delhi High Court Orders Release Of Seized Gold As Customs Misses SCN Deadline, Rejects 'Waiver' Practice

CASE TITLE: MOHAMMAD NOMAN RANA Versus COMMISSIONER OF CUSTOM

CITATION: (2025) 37 Centax 368 (Del.)

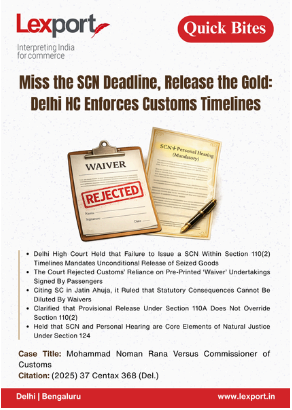
The Delhi High Court has held that seized gold bars must be released unconditionally if the Customs Department fails to issue a show cause notice (SCN) within the statutory time limit, even where the passenger has signed a standard-form undertaking waiving the SCN and personal hearing.

In Mohammad Noman Rana v. Commissioner of Customs, two gold bars weighing 233 grams were seized from the petitioner at IGI Airport in April 2023. Despite the lapse of the statutory period under Section 110(2) of the Customs Act, 1962—six months, extendable by another six months—no SCN was issued, no hearing was granted, and no adjudication order was passed. The Department sought to justify continued detention on the ground that the petitioner had signed a printed waiver undertaking.

Rejecting this contention, the High Court relied heavily on the Supreme Court's ruling in Union of India v. Jatin Ahuja, holding that failure to issue an SCN within the prescribed period automatically triggers the consequence of unconditional release of seized goods. The Court clarified that provisional release under Section 110A does not dilute or override the mandatory consequence under Section 110(2).

The Bench also strongly deprecated the practice of making tourists sign pre-printed waiver forms, holding that such waivers do not satisfy the requirements of Section 124 of the Act. Issuance of an SCN and grant of personal hearing are core facets of natural justice, and printed waivers cannot be treated as a valid substitute.

Accordingly, the Court directed release of the gold bars upon payment of applicable customs duty and warehousing charges, while categorically holding that no penalty or redemption fine could be imposed. The judgment reinforces strict statutory timelines and reiterates that natural justice cannot be waived through coercive or mechanical undertakings.



Shelly Singh

Indirect Tax

EU–India Conclude Landmark Free Trade Agreement

The European Union and India have concluded a landmark Free Trade Agreement (FTA), marking the largest and most ambitious trade deal ever negotiated by either side. The agreement aims to significantly strengthen economic and political ties between the world's two largest democracies amid global economic uncertainty and geopolitical challenges.

The FTA is expected to double EU exports to India, eliminate or reduce tariffs on over 90% of EU goods, and generate annual duty savings of nearly €4 billion for European exporters. High Indian tariffs on key products such as machinery, chemicals, pharmaceuticals, automobiles, and agri-food products will be substantially reduced or eliminated. Notably, tariffs on cars will reduce from 110% to as low as 10% within a quota system, while duties on machinery, chemicals, and pharmaceuticals will largely be brought down to zero.

The agreement also grants EU companies unprecedented access to India's services market, particularly in financial and maritime services, representing India's most ambitious services commitments in any trade deal so far. A dedicated chapter for small and medium enterprises (SMEs) aims to simplify customs procedures, reduce regulatory barriers, and enhance transparency to make cross-border trade faster and more cost-effective.

For agriculture, the FTA opens India's vast consumer market to EU agri-food exports while safeguarding sensitive sectors on both sides. Tariffs on products such as wine, spirits, olive oil, processed foods, and fruit juices will see sharp reductions, while EU food safety standards remain fully protected.

The agreement also contains robust provisions on sustainable development, labour rights, climate action, intellectual property protection, and dispute resolution. Following legal review, ratification, and parliamentary approvals, the FTA is expected to enter into force after completion of formal procedures by both sides.

Shelly Singh

Indirect Tax

CESTAT Bengaluru: Embossed Gold Medallions Not 'Gold Coins'; No Import Licence Required

CASE TITLE: SRI EXPORTS Versus COMMISSIONER OF CUSTOMS, BENGALURU

CITATION: (2026) 38 Centax 127 (Tri.-Bang)

The Customs, Excise and Service Tax Appellate Tribunal, Bengaluru Bench, has held that embossed gold medallions which are not legal tender are classifiable under CTH 7114 (Articles of Gold) and not under CTH 7118 (Gold Coins), and therefore do not require an import licence.

In Sri Exports v. Commissioner of Customs, Bengaluru, the Tribunal examined the import of 22-karat gold medallions bearing floral and swastika embossing. Since the items were not issued under government authority and lacked legal-tender status, they could not be treated as "coins". The Bench held that mere embossing does not confer the character of legal tender.

Accordingly, the goods were held eligible for exemption under Sr. No. 966 of Notification No. 46/2011-Cus (ASEAN-India FTA). Setting aside the reclassification and licence requirement, the Tribunal allowed the appeal, granting relief to the importer.

Shelly Singh

Indirect Tax

CESTAT Upholds Anti-Dumping Duty on Misdeclared Aluminium CTCP Printing Plates

CASE TITLE: R.I. Trading Co. Versus COMMISSIONER OF CUSTOMS (IMPORT), INLAND CONTAINER DEPOT, Tuglakabad

CITATION: (2025) 35 Centax 158 (Tri.-Del)

The CESTAT, Principal Bench, New Delhi, in R.I. Trading Co. v. Commissioner of Customs (Import), ICD Tughlakabad, upheld the levy of anti-dumping duty, confiscation of goods, and imposition of penalties where aluminium CTCP printing plates imported from China were misdeclared as photosensitive printing plates.

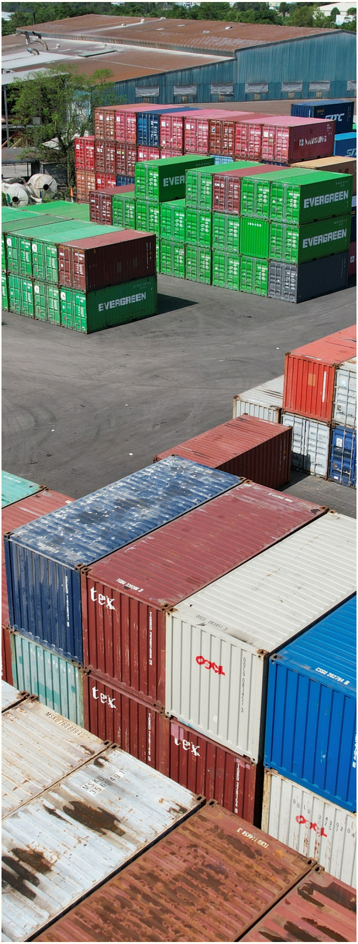
The importer had declared the goods under CTH 8442 as PS printing plates to avoid anti-dumping duty. Upon examination, samples were drawn. As government laboratories declined to conduct testing due to lack of infrastructure, the samples were tested by Don Bosco Technical Institute, a private laboratory equipped for such analysis. The test report confirmed that the goods were CTCP aluminium printing plates, attracting anti-dumping duty under Notification No. 51/2012-Cus. (ADD).

The importer challenged the test report on various grounds, including alleged delay in testing beyond shelf life, non-adoption of a conventional testing method, lack of consent, and denial of cross-examination. The Tribunal rejected these objections, holding that importers cannot dictate the method of testing and that delay in testing does not alter the inherent nature of the goods. It was also noted that the importer neither sought retesting of the samples nor requested cross-examination during adjudication.

The Tribunal distinguished the earlier decisions relied upon by the importer and observed that the test memo bore the signature of the importer's representative, thereby negating the claim of lack of consent. It held that misdeclaration with intent to evade duty was clearly established.

Accordingly, the Tribunal upheld the demand of anti-dumping duty, confiscation under Section 111(m), and penalty under Section 114A of the Customs Act, 1962, and dismissed the appeal in favour of the Revenue.

Shelly Singh



Indirect Tax

Revisionary Authority Cannot Overturn Reasoned Appellate Order Merely on a Different View: Karnataka High Court

CASE TITLE: PLAUNSHE Versus ADDITIONAL COMMISSIONER OF COMMERCIAL TAX, BENGALURU

CITATION: (2026) 38 Centax 189 (Kar.)

The Karnataka High Court has held that a revisionary authority cannot overturn a well-reasoned appellate order merely because it holds a different view, particularly in the absence of any intention to evade tax or loss to the revenue.

The case arose from the detention of goods in transit under Section 129 of the CGST and KGST Acts, 2017. The petitioner's vehicle was intercepted while transporting goods supported by a valid tax invoice and e-way bill. The authorities alleged that the goods were being unloaded at an undeclared place of business and imposed a penalty under Section 129.

In appeal, the First Appellate Authority accepted the assessee's explanation that the unloading location was an additional place of business, the amendment for which could not be completed due to COVID-19 disruptions. The appellate authority also recorded that physical verification revealed no stock discrepancy and there was no intent to evade tax. On these findings, the penalty was set aside.

Subsequently, the Revisional Authority initiated suo motu proceedings and reversed the appellate order, re-imposing the penalty. Aggrieved, the assessee approached the High Court.

Allowing the writ petition, the High Court held that the Revisional Authority had exceeded its jurisdiction. It observed that once the appellate authority had taken a plausible and reasoned view based on facts, the same could not be interfered with merely because another view was possible. The Court emphasized that there was no allegation of tax evasion, no revenue loss, and no procedural infirmity warranting revision.

Accordingly, the impugned revision order was quashed and the appellate order restored, reaffirming that revisionary powers must be exercised sparingly and within statutory limits.

Shelly Singh

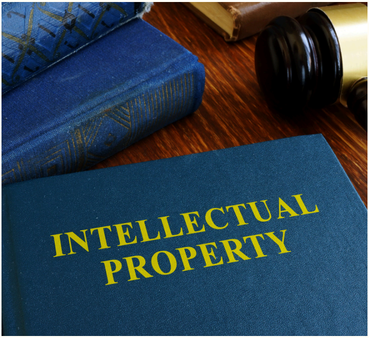
Intellectual Property Rights

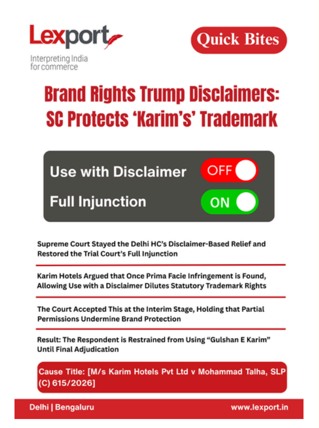
Eros Files ₹84 Crore Lawsuit Against Aanand L Rai, Alleging IP Misuse in Tere Ishk Mein

Eros International Media Ltd has sued filmmaker Aanand L Rai and his production banner, Colour Yellow Media Entertainment LLP, seeking ₹84 crore in damages over alleged intellectual property violations tied to Rai's 2025 film Tere Ishk Mein. The studio claims exclusive rights in the 2013 hit movie Raanjhanaa, including copyright, registered trademarks, characters, dialogues, and rights to sequels or related works, and claims that elements from Raanjhanaa were used without authorisation in the marketing and promotion of Tere Ishk Mein. According to the complaint, the teaser and promotional material positioned Tere Ishk Mein as a "spiritual sequel" to Raanjhanaa, and allegedly featured phrasing, references, and character parallels that exploited the goodwill of the earlier film. Eros sent a cease-and-desist notice in mid-2025, but contends that some references remained in marketing post-notice, prompting the lawsuit.

Source- https://shorturl.at/9R0xO

Anushka Tripathi





Anushka Tripathi

Supreme Court Stays Disclaimer Relief in "Karim's" Trademark Dispute, Restores Full Injunction

The Supreme Court stayed the operation of the Delhi High Court's order that had permitted the use of the mark "Gulshan E Karim" subject to a prominent disclaimer, and restored the interim injunction originally granted in favour of M/s Karim Hotels Pvt Ltd. Karim Hotels, proprietor of the well known "Karim" and "Karim's" restaurant marks, had sued the respondent for trademark infringement, alleging that use of "Gulshan E Karim" was deceptively similar and likely to mislead consumers. While the trial Court had granted a complete injunction, the Delhi High Court modified that relief by allowing continued use of the impugned mark with a disclaimer stating no association with Karim's. Before the Supreme Court, Karim Hotels argued that once infringement was prima facie established, permitting use with a disclaimer was contrary to the Trade Marks Act and diluted statutory rights. Accepting this contention at the interim stage, the Supreme Court held that until the suit is finally decided, the trial Court's injunction should operate. [M/s Karim Hotels Pvt Ltd v Mohammad Talha, SLP (C) 615/2026]

Intellectual Property Rights

Madras High Court Revives KMF's Opposition, Holds "Nandini" Label for Agarbattis Deceptively Similar

The Madras High Court allowed the appeal filed by Karnataka Cooperative Milk Producers Federation Limited and set aside the Trade Marks Registry's 2010 order rejecting its opposition to the registration of the mark "nandini" for agarbattis and dhoops. KMF, proprietor of the well known "NANDINI" mark for milk and dairy products since the 1980s, argued that the impugned label adopted the identical word and writing style, creating a likelihood of confusion.

The Court distinguished the case from the Supreme Court's decision in the case of _Nandhini Deluxe Vs. Karnataka Cooperative Milk Producers Federation Ltd., 2018 (9) SCC 183_ , noting that while "NANDINI" may be a generic or mythological name, the manner of adoption is critical. Unlike earlier cases where suffixes or distinct styles were used, the respondent here adopted "nandini" without any prefix or suffix and in a visually similar format. Given KMF's long standing reputation, the Court held that the phonetic and visual similarity was sufficient to mislead consumers. Finding that the Registrar had ignored these crucial aspects, the Court set aside the impugned order and allowed KMF's opposition.

[M/s Karnataka Cooperative Milk Producers Federation Ltd v Vinod Kanji Shah & Ors., (T)CMA(TM) No.112 of 2023]

Anushka Tripathi

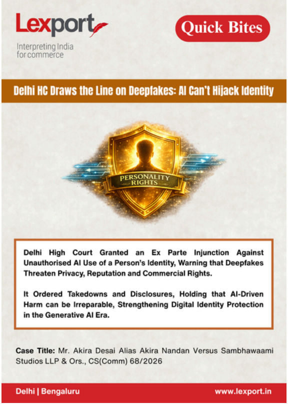
Intellectual Property Rights

Delhi High Court Sets a Strong Precedent on AI, Deepfakes & Personality Rights

The Delhi High Court has delivered a significant interim order addressing the growing misuse of Artificial Intelligence and deepfake technology. The case was filed by Akira Desai (alias Akira Nandan), who alleged unauthorised exploitation of his name, image, likeness, voice, and persona through an AI-generated feature film and widespread synthetic content circulated across digital platforms.

The Court recognised that AI-generated deepfakes especially those portraying fabricated romantic, intimate, or misleading associations pose a serious threat to an individual's privacy, dignity, reputation, and commercial interests. Relying on established jurisprudence on publicity and personality rights (DM Entertainment v. Baby Gift House) and recent precedent, the Court granted an ex parte ad-interim injunction, restraining the defendants from creating, publishing, or disseminating any AI-generated or morphed content using the plaintiff's identity without consent.

Importantly, the order directs online intermediaries and platforms to take down infringing content, disclose relevant account details, and assist in curbing impersonation and financial misuse. The Court highlighted that unchecked AI exploitation could result in irreparable harm that cannot be compensated monetarily.



Swagita Pandey

Intellectual Property Rights

Delhi High Court takes punitive action on Trademark Fraud & Impersonation Scams

The Delhi High Court has passed a strong ex parte ad-interim injunction to protect the well-known logistics brand DELHIVERY from large-scale trademark infringement, impersonation, and online fraud.

Delhivery Limited approached the Court after uncovering a coordinated scam where unknown entities and individuals (John Does) were impersonating company executives, operating fake websites and domains, and fraudulently offering franchise and distributorship opportunities under deceptively similar marks such as "DELHEVERY." These actors allegedly extracted money from unsuspecting members of the public by misusing Delhivery's registered trademarks, copyrighted material, and brand goodwill.

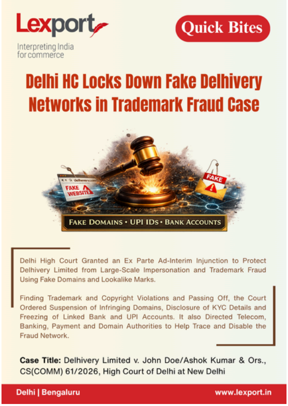
The Court noted Delhivery's extensive nationwide operations, long-standing trademark registrations, substantial goodwill, and evidence of consumer confusion. It held that the defendants' conduct amounted to trademark infringement, copyright violation, and passing off under the Trade Marks Act, 1999 and the Copyright Act, 1957.

Significantly, the Court directed:

1) Immediate suspension and locking of infringing domain names

2) Disclosure of KYC details and freezing of bank accounts and UPI IDs

3) Assistance from telecom providers, banks, payment authorities, and domain registrars to trace and disable the fraudulent network



Swagita Pandey

Intellectual Property Rights

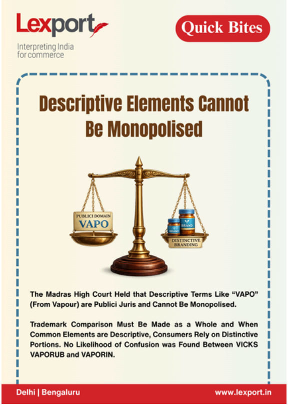
Madras High Court Clarifies Limits of Trademark Exclusivity Over Descriptive Terms

The Madras High Court dismissed rectification petitions filed by Procter & Gamble seeking removal of trademark registrations held by IPI India for the marks "VAPORIN" and "VAPORIN COLD RUB."

P&G argued that "VAPORIN" was deceptively similar to its well-known marks "VICKS" and "VAPORUB," alleging phonetic similarity, trade dress imitation, and dishonest adoption. The Court, however, rejected these claims, holding that trademark comparison must be made as a whole, without dissecting common or descriptive elements.

The Court found that the prefix "VAPO" is derived from "vapour," a descriptive term commonly used in vapour-based medicinal products, and has therefore become publici juris. As such, no party can claim exclusive rights over it. Relying on settled Supreme Court and High Court precedent, the Court held that when common elements are descriptive, consumers are more likely to focus on the distinctive portions of competing marks.

On facts, the Court noted that "VICKS VAPORUB" and "VAPORIN" are phonetically, visually, and structurally distinct, with different branding, packaging, and overall commercial impression. The existence of numerous third-party "VAPO"-prefixed products further reinforced the conclusion that there was no likelihood of confusion or dishonest intent.

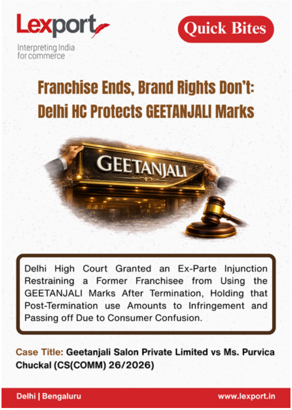


Swagita Pandey

Intellectual Property Rights

Ex-Franchisee Restrained from Using GEETANJALI Marks After Termination

The Hon'ble Delhi High Court granted an ex-parte ad-interim injunction in favour of Geetanjali Salon Pvt. Ltd. against a former franchisee. The franchise agreement had been terminated for non-payment of dues, yet the defendant continued operating a salon under the GEETANJALI / GEETANJALI STUDIO marks. The Hon'ble Court held that continued use post-termination amounted to clear trademark infringement and passing off. It found that the parties operated in identical trade channels with the same consumer base, creating a high likelihood of confusion. The plaintiff's long-standing reputation and multiple Indian trademark registrations weighed strongly in its favour. Irreparable harm and dilution of goodwill were held likely if the defendant was not restrained. The balance of convenience was found to favour the trademark owner over the erstwhile franchisee. The defendant was restrained from using the GEETANJALI / GEETANJALI STUDIO marks in any form. Directions were issued to remove all signage, hoardings, and social media content bearing the marks. The injunction will operate pending trial, with pleadings and procedural timelines duly fixed. [Geetanjali Salon Private Limited vs Ms. Purvica Chuckal (CS(COMM) 26/2026)]



Ananya Singh

Intellectual Property Rights

Hon'ble Delhi High Court grants Injunction Against Impersonation in Online Investment Scams

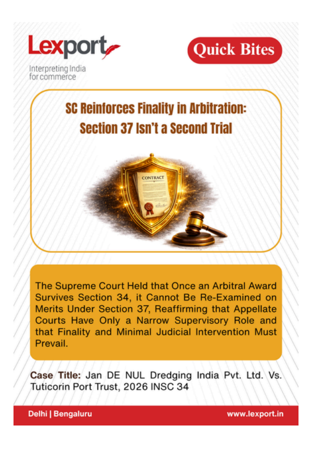
The Hon'ble Delhi High Court granted an ex-parte ad-interim injunction to Senior Advocate Mr. Vikas Pahwa, whose photographs and identity were misused in fraudulent stock-trading schemes. Unidentified defendants impersonated the plaintiff on websites and multiple WhatsApp groups, falsely linking him to investment advice and scams. The Hon'ble Court noted that the unauthorised use of the plaintiff's name, photographs, and persona violated his publicity rights and copyright. Evidence demonstrated deliberate impersonation to lend credibility to ongoing financial fraud, thereby harming both the plaintiff's professional reputation and members of the public.

The Hon'ble Court found a strong prima facie case, with the balance of convenience and irreparable injury clearly favouring the plaintiff. Accordingly, the defendants were restrained from using or exploiting the plaintiff's identity, images, or credentials in any manner whatsoever. Internet platforms and intermediaries were directed to take down and block access to the infringing articles and content, and service providers were ordered to disclose the identity and registration details of the anonymous operators. The injunction was aimed at curbing the misuse of professional reputation and preventing public deception.

[Vikas Pahwa v. Ashok Kumar (John Doe) & Ors., CS(COMM) 38/2026]

Ananya Singh

Litigation



Jan DE NUL Dredging India Pvt. Ltd. Vs. Tuticorin Port Trust, 2026 INSC 34

The Hon'ble Supreme Court reiterated that interference with an arbitral award is permissible only on limited grounds under Section 34, and once upheld thereunder, it cannot be revisited on merits in an appeal under Section 37. In the Tuticorin Port Trust–Jan De Nul dispute, the Division Bench erred by reinterpreting contractual clauses already accepted by the Single Judge. The Court clarified that Section 37 confers a narrowly limited appellate jurisdiction, prohibiting reappreciation of evidence or substitution of interpretation. Emphasising minimal judicial intervention, the arbitral award was restored.

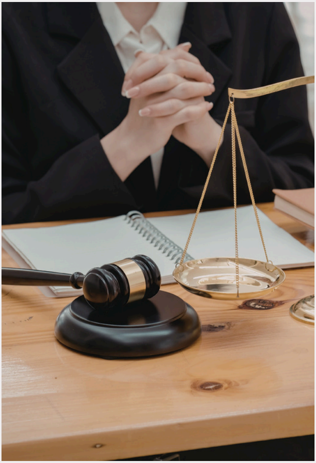
Shyam Kishor Maurya

Indian Institute of Technology, Mandi (Kamand) H.P Vs. Central Public Works Department & Another, 2025:HHC:45660

The Hon'ble Himachal High Court dismissed IIT Mandi's writ petition, holding that the MoU between IIT Mandi and CPWD was entirely distinct from the construction contract between CPWD and the contractor. Relying on the Group of Companies doctrine and Cox and Kings Ltd vs. SAP India Pvt Ltd (2023), the Court observed that a non-signatory can be bound only if it participated in the performance of the contract and intended to be so bound. Since IIT Mandi was neither a signatory nor involved in the negotiation or execution of the construction contract, mere funding of the project was held insufficient. Accordingly, the arbitrator's order was upheld and the writ petition dismissed .

Shyam Kishor Maurya

Litigation



UCM Coal Company Ltd. Vs. Adani Enterprises Ltd., SLP(C) No. 2954/2026

The Hon'ble Apex Court held that the Tribunal's conclusions were based on cogent oral and documentary evidence and reflected a plausible interpretation of the contract as understood and acted upon by the parties, without rewriting its terms. It further found that reliance on the prior arbitral award against the respondent was justified, as it crystallised Adani Enterprises' liability of at least Rs. 125 crores and constituted credible evidence of work executed. The Court clarified that an arbitral award in one proceeding may be relied upon as evidence in another, with its probative value assessed case-wise, and that tribunals are not bound by strict procedural or evidentiary rules. Consequently, the appeal by UCM Coal was dismissed and the arbitral award upheld, prompting UCM Coal to approach the Supreme Court.

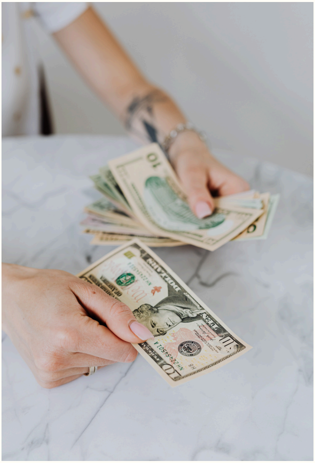
Shyam Kishor Maurya

Supreme Court Clarifies Applicability of ₹30 Lakh Compensation for deaths due to manual scavenging

The Supreme Court of India clarified that its October 2023 judgment enhancing compensation for deaths due to manual scavenging and sewer cleaning from ₹10 lakh to ₹30 lakh will apply retrospectively only where compensation has not yet been determined or paid. Acting on an application by the National Legal Services Authority, the Court resolved conflicting High Court views. It held that cases where compensation was already paid will not be reopened, but pending or undecided cases, even if the death occurred before October 2023, must receive ₹30 lakh. The clarification arose from a writ petition filed by a sewer worker's widow whose 2022 death remained uncompensated.

DR. BALRAM SINGH Vs UNION OF INDIA|W.P. (C) No. 324/2020

Ananya Jain



Litigation

Orissa High Court Upholds Pension Continuity After Technical Resignation

A Division Bench of the Orissa High Court held that continuity of service for pension is preserved under the CCS Pension Rules when an employee submits a technical resignation and immediately joins the same post under the same employer without interruption. The Court ruled that acceptance of resignation can be tacit and inferred from conduct, even without a formal order. It distinguished technical resignation from absolute resignation and held that past temporary service followed by regular appointment must count for pension. Upholding the Central Administrative Tribunal's order, the Court dismissed the Union of India's writ petition and directed recognition of nearly 19 years of service for terminal benefits.

Union of India and Others v. Dr. Manoj Kumar Das, W.P.(C) NO.27890 OF 2025

Ananya Jain

Delhi High Court Upholds ASI Conviction In Corruption Case

The Delhi High Court upheld the conviction and sentence of a police Assistant Sub Inspector in a corruption case dating back to 1995, holding that minor inconsistencies in witness testimony do not undermine clear proof of demand and acceptance of illegal gratification. A bench led by Justice Chandrasekharan Sudha dismissed the appeal of Baldev Singh, convicted under the Prevention of Corruption Act. The Court relied on recovery of tainted money and a positive phenolphthalein test, clarified the law on hostile witnesses, and ruled that procedural lapses and delay of nearly 30 years did not vitiate the prosecution case.

Baldev Singh v. CBI, CRL.A. 567/2001

Ananya Jain

Litigation

Supreme Court Mandates Preference For Contract Workers In Regular Recruitment

The Supreme Court of India held that when a principal employer decides to replace contract labour with regular employees, first preference must be given to the erstwhile contract workers. The Court clarified that employers cannot bypass displaced contract workers by recruiting fresh candidates and may relax age and qualification norms to make such preference meaningful. It further ruled that where a contract is found to be sham or camouflaged, workers are entitled to automatic absorption with back wages. However, the Court set aside interim relief granted under Section 33(1) of the Industrial Disputes Act, holding that such relief is impermissible where the employer employee relationship itself is disputed, while granting liberty to seek relief afresh under settled constitutional bench principles.

M/S PREMIUM TRANSMISSION PRIVATE LIMITED VERSUS KISHAN SUBHASH RATHOD AND OTHERS, S.L.P. (CIVIL) NO. 12192 OF 2023

Ananya Jain

Corporate

SEBI Notifies LODR Amendment Regulations, 2026 to Strengthen Governance and Investor Protection

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026 on January 20, 2026. The amendments come into force from the date of their publication in the Official Gazette and seek to further strengthen corporate governance, disclosure standards, and investor protection in India's securities market.

A key highlight of the 2026 amendments is the revision of the threshold for classification as High Value Debt Listed Entities (HVDLEs). The outstanding value of listed non-convertible debt securities triggering enhanced compliance requirements has been increased from ₹1,000 crore to ₹5,000 crore. This change rationalises regulatory obligations by limiting stricter governance norms to entities with higher systemic relevance, while expressly exempting entities that fall below the revised threshold from certain enhanced compliances.

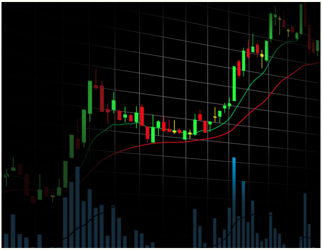
The amendments also reinforce SEBI's push towards complete dematerialisation and faster investor servicing. Listed entities are now required to credit securities arising from subdivision, consolidation, split, exchange, or issuance of duplicate certificates within 30 days of receipt of valid requests, exclusively in dematerialised form. Physical transfer of securities is largely prohibited, except for limited legacy cases, reducing risks associated with physical certificates and improving operational efficiency.

Investor protection has been further strengthened through enhanced provisions for unclaimed and unpaid amounts. Such amounts lying in escrow accounts are now required to be transferred to the Investor Education and Protection Fund under the Companies Act, 2013, or to SEBI's Investor Protection and Education Fund for entities not governed by the Act.

Additionally, the amendments refine governance norms applicable to HVDLEs, including timelines for filling board and key managerial vacancies, meeting frequencies, disclosure requirements for director appointments, and streamlined related party transaction norms, particularly for government and public sector entities.

Overall, the LODR Amendment Regulations, 2026 reflect SEBI's balanced approach of tightening governance and investor safeguards while easing compliance for lower-risk entities, reinforcing transparency, efficiency, and trust in the capital markets.

Akshita Agarwal



Corporate

The Supreme Court held that applications to extend an arbitral tribunal's mandate under Section 29A(4) must be filed only before the "Court" under Section 2(1)(e), i.e., the principal civil court of original jurisdiction, irrespective of who appointed the arbitrator.

It clarified that courts exercising powers under Section 11 become functus officio once the tribunal is constituted and retain no supervisory role thereafter. Section 42 does not apply to Section 11 proceedings, and prior appointment by the High Court does not confer exclusive jurisdiction for Section 29A applications.

The Court restored the Commercial Court's order extending the arbitral timeline.

Case: Jagdeep Chowgule v. Sheela Chowgule & Ors.
Citation: 2026 LiveLaw (SC) 89

Siddharth Dewalwar

The Supreme Court held that demolition of private property under Article 300-A requires clear, cogent, and site-specific evidence of illegality, and cannot be ordered on conjecture. It set aside the Calcutta High Court's direction to demolish a residential building in Santiniketan, finding no scientific or reliable material to prove that the construction stood on protected "khoai" land.

The Court ruled that PILs seeking demolition must be backed by concrete evidence, and selective action against one project while similar constructions remain untouched is impermissible.

Case: M/s Aarsuday Projects & Infrastructure (P) Ltd. v. Jogen Chowdhury & Ors.
Citation: 2026 LiveLaw (SC) 90

Siddharth Dewalwar

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

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

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

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