

17 March 2025 – 23 March 2025



# Manupatra Weekly Wrap

A round-up of the last week's key updates to keep you informed on the go!

# Case Laws



## **ARBITRATION**

### **Supreme Court discusses tests for identifying governing law of arbitration agreements**

*Disortho S.A.S Vs. Meril Life Sciences Private Limited, Dated: 18.03.2025, (MANU/SC/0349/2025; 2025 INSC 352)*

The **Supreme Court** has observed that if there is absence of an express law that governs the arbitration agreement, the determination of applicable law should be on the basis of parties' intentions with a strong presumption in favor of the law governing the main contract.

### **Delhi High Court: Exclusive Jurisdiction Clause takes precedence over Seat of Arbitration Clause if it specifically addresses proceedings related to arbitration**

*Precitech Enclosures Systems Pvt Ltd. Vs. Rudrapur Precision Industries & Anr., Dated: 17.03.2025, (MANU/DE/1674/2025; 52025:DHC:1677)*

The **Delhi High Court** has observed that typically, when an agreement includes both an exclusive jurisdiction clause and a seat of arbitration clause, judicial proceedings related to arbitration would be held in the court with territorial jurisdiction over the arbitral seat/venue. However, in this case, since the exclusive jurisdiction clause also covers arbitration-related proceedings, it takes precedence over the seat of arbitration clause.

### **Calcutta High Court: Can make non-signatories party to dispute if their and signatories relief align**

*M/s Exchange and Others Vs. Pradip Kumar Ganeriwala and Another, Dated: 19.03.2025, (MANU/WB/0644/2025)*

The **Calcutta High Court** has observed that non-signatories in an arbitration agreement can be made a party to a dispute if the relief sought against the signatories and non-signatories aligns.

## **BANKING**

### **Supreme Court: Section 138 NI Act case cannot be filed against former company director if cause of action arose after IBC moratorium**

*Vishnoo Mittal Vs. M/S Shakti Trading Company, Dated: 17.03.2025, (MANU/SC/0345/2025; 2025 INSC 346)*

The **Supreme Court** has observed that if the cause of action for a cheque dishonor offence under Section 138 of the Negotiable Instruments Act, 1881 (NI Act) arises after the declaration of a moratorium under the Insolvency & Bankruptcy Code, 2016 (IBC), proceedings under Section 138 of the NI Act cannot be pursued against the former director of the company.

## CIVIL

### **Supreme Court: Section 53A of TPA protection doesn't apply if person is aware of pending litigation when entering into agreement**

Raju Naidu Vs. Chenmouga Sundra & Ors., Dated: 19.03.2025, (MANU/SC/0366/2025; 2025 INSC 368)

The **Supreme Court** has observed that protection under Section 53A of the Transfer of Property Act (TPA), 1882, for a person possessing property under part performance of a contract, does not apply to a party who knowingly enters into the agreement despite being aware of pending litigation.

### **Supreme Court: Land acquired by government cannot be privately transferred back to original owner**

Delhi Agricultural Marketing Board, through its Chairman Vs. Bhagwan Devi (Dead), through her LR., Dated: 20.03.2025, (MANU/SC/0364/2025; 2025 INSC 367)

The **Supreme Court** has observed that when the State acquires land for a public purpose, like establishing a grain market under a statutory board, the beneficiary (statutory board) cannot reverse the acquisition through a private agreement. Allowing such an act would amount to a fraud on the State's exercise of its sovereign power of eminent domain.

### **Supreme Court: Allowed Auroville Foundation to construct road, overturning NGT's order**

The Auroville Foundation Vs. Navroz Kersasp Mody & Ors., Dated: 17.03.2025, (MANU/SC/0344/2025; 2025 INSC 347)

The **Supreme Court** has observed that “*the Tribunal has completely misdirected itself by entering into the restricted domain of judicial review under the guise of applying “Precautionary Principle” in extraordinary circumstances, and in interfering with the implementation of Master Plan which was already approved by the competent Authority way back in the year 2001*”.

### **Supreme Court: Auroville residents have no right to be included in council or committee formed by foundation's governing body**

The Auroville Foundation Vs. Natasha Storey, Dated: 17.03.2025, (MANU/SC/0342/2025; 2025 INSC 348)

The **Supreme Court** has observed that “*There is no legal or statutory right conferred upon the Residents' Assembly or upon an individual resident to be part of any committee/council constituted by the Governing Board in exercise of its powers conferred under Section 11(3), 16(1) and 17(e) of the said Act read with Rule 5(1) and 5(2) of the said Rules. The functions of the Residents' Assembly are confined only to advise the Governing Board in respect of the activities relating to the residents of Auroville and to make recommendations as specified in Section 19 of the Act, and not any further*”.

## **Orissa High Court: It is the duty of the court to decide or deal with grievance of litigants**

*Duryodhan Sahoo Vs. State of Odisha, Dated: 18.03.2025, (MANU/OR/0292/2025)*

The **Orissa High Court** has observed that if litigants approach the Court to get their grievance remedied, it should be the duty of the Court to decide or deal with their grievance notwithstanding whether the litigation has merit or not. The moral is not to throw away the grievance of the party approaching the Court on a technicality at the threshold when such matter can be decided on merits.

## **CRIMINAL**

### **Supreme Court: Act of Money Laundering extends so long as proceeds of crime are concealed**

*Pradeep Nirankarnath Sharma Vs. Directorate of Enforcement & Anr., Dated: 17.03.2025, (MANU/SC/0343/2025; 2025 INSC 349)*

The **Supreme Court** has observed that it is well established that offences under the Prevention of Money Laundering Act, 2002(PMLA) are of a continuing nature, and the act of money laundering does not conclude with a single instance but extends so long as the proceeds of crime are concealed, used, or projected as untainted property. The legislative intent behind the PMLA is to combat the menace of money laundering, which by its very nature involves transactions spanning over time.

### **Supreme Court: 'Lalita Kumari' judgment does not establish absolute rule requiring a preliminary enquiry before filing FIR in every case**

*Pradeep Nirankarnath Sharma Vs. State Of Gujarat & Ors., Dated: 17.03.2025, (MANU/SC/0343/2025; 2025 INSC 350)*

The **Supreme Court** has observed that “*The decision in Lalita Kumari (supra) does not create an absolute rule that a preliminary inquiry must be conducted in every case before the registration of an FIR. Rather, it reaffirms the settled principle that the police authorities are obligated to register an FIR when the information received prima facie discloses a cognizable offence*”.

### **Delhi High Court: Court of Chief Judicial Magistrate cannot transfer a case either suo motu or upon any application**

*Sudesh Chhikara Vs. State (Govt. Of Nct Of Delhi) And Anr., Dated: 17.03.2025, (MANU/DE/1673/2025; 2025:DHC:1693)*

The **Delhi High Court** has observed that “*under Section 410 Cr.PC. and Section 450 BNSS the power conferred upon the Chief Judicial Magistrate is only administrative in nature. The Court of Chief Judicial Magistrate cannot “transfer” a case from one Court or another upon an application being moved or suo moto*”.

## **Madhya Pradesh High Court: "Repeat appeal" for bail after plea is dismissed on merits is not maintainable before High Court**

*Dharam Singh Parihar & Ors. Vs. The State Of Madhya Pradesh And Ors., Dated: 17.03.2025, (2025:MPHC-JBP:7868)*

The **Madhya Pradesh High Court** has observed that “*We are of the considered view that after dismissal of the appeal under Section 14A(2) of the Special Act by the High Court on any ground, the subsequent appeal before the High Court would not be maintainable. It is needless to mention that the repeat appeal for bail after dismissal of the appeal would not be maintainable even if the accused wishes to prefer the subsequent appeal before the High Court on any changed circumstances*”.

## **Karnataka High Court: Lokayukta acting upon complaint before registration of FIR violates S. 17 of P&C Act**

*Smt.S.Laxmi & Ors. Vs. The Addl. Director General Of Police & Ors., Dated: 17.03.2025, (MANU/KA/1031/2025)*

The **Karnataka High Court** has held that Lokayukta acting upon the anonymous complaint embarked upon an elaborate inquiry, summoning officers before the registration of FIR under provisions of the Prevention of Corruption Act (P&C), 1988 would amount to a violation of Section 17A of the Act.

## **CONSTITUTION**

## **Karnataka High Court: Upholds validity of Micro Loan and Small Loan Ordinance, 2025**

*Karnataka Hire Purchase Association Vs. The State Of Karnataka & Ors., Dated: 17.03.2025, (MANU/KA/0970/2025)*

The **Karnataka High Court** has upheld the constitutional validity of the Karnataka Micro Loan and Small Loan (Prevention of Coercive Actions) Ordinance, 2025 and stated that the Ordinance has taken birth from the womb of social justice, and it nowhere depicts arbitrariness.

## **INSOLVENCY**

## **Supreme Court: Once resolution plan is approved, any dues not included in it are deemed extinguished**

*Vaibhav Goel & Anr. Vs. Deputy Commissioner of Income Tax & Anr., Dated: 20.03.2025, (MANU/SC/0369/2025; 2025 INSC 375)*

The **Supreme Court** has observed that “*In view of the declaration of law made by this Court, all the dues including the statutory dues owed to the Central Government, if not a part of the Resolution Plan, shall stand extinguished and no proceedings could be continued in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 of the IB Code*”.

## **NCLAT: Delivering demand notice to last known address to be deemed valid**

*Paresh Rastogi & Ors. Vs. M/Omkara Assets Reconstruction Pvt. Ltd. & Ors., Dated: 18.03.2025, (MANU/NL/0224/2025)*

The **National Company Law Appellate Tribunal** (NCLAT) New Delhi bench has held that delivery of demand notice to the last known address of the personal guarantor as has been stated in the deed of guarantee shall be considered as valid service for the purposes of Section 95(4) of the Insolvency and Bankruptcy Code, 2016.

## **NCLAT: Resolution plan submitted by COC after due date cannot be questioned**

*Authum Investment and Infrastructure Limited Vs. . Ashdan Properties Private Limited & Ors., Dated: 17.03.2025, (MANU/NL/0220/2025)*

The NCLAT has observed that there cannot be any questioning of the consideration and subsequent rejection of a Resolution Plan (RP) by the Committee of Creditors (CoC) submitted after the due date.

## **ELECTION**

### **Bombay High Court: Dismissed plea challenging Nitin Gadkari's election to 18th Lok Sabha from Nagpur**

*Suraj Balram Mishra Vs. Chief Executive Officer and Officer of Code of Conduct & Ors., Dated: 19.03.2025, (MANU/MH/1694/2025; 2025:BHC-NAG:2792-DB)*

In a significant relief to Union Road Transport Minister Nitin Gadkari, the **Bombay High Court** rejected a petition challenging his election to the 18th Lok Sabha from Nagpur. The petition had alleged that he resorted to 'malpractices' by printing voter slips featuring his photo and the BJP symbol and distributing them to voters.

## **FAMILY**

### **Madras High Court: Wife watching porn privately, does not constitute cruelty on husband**

*Xxx Vs. Xxx., Dated: 19.03.2025, (MANU/TN/1082/2025)*

The **Madras High Court** has observed that “*Thus, the act of the respondent in merely watching porn privately by itself may not constitute cruelty to the petitioner. It may affect the psychological health of the viewing spouse. That by itself will not amount to treating the other spouse cruelly*”.

## **MOTOR VEHICLE**

**Supreme Court:** Direction can be issued to transfer compensation to bank account of claimants

*Parminder Singh Vs. Honey Goyal And Others, Dated: 18.03.2025, (MANU/SC/0356/2025; 2025 INSC 361)*

The **Supreme Court** has observed that the general practice followed by the insurance companies, where the compensation is not disputed, is to deposit the same before the Tribunal. Instead of following that process, a direction can always be issued to transfer the amount into the bank account of the claimant with intimation to the Tribunal.

## **NARCOTICS**

**Jammu & Kashmir High Court:** Section 37 of NDPS act comes into play when bail is being considered on merit

*Mohammad Junaid Raina Vs. Union Territory of J&K & Ors., Dated: 19.03.2025, (MANU/JK/0134/2025)*

The **Jammu & Kashmir High Court** has observed that Section 37 of the NDPS Act, comes into play only when bail of a person/accused of an offense involving commercial quantity of a contraband is being considered on merits and the limitations contained therein would not apply when bail is to be granted on humanitarian grounds like medical ground. In such cases, the powers of the High Court U/s 439 of the Cr.P.C are not curtailed.

## **SERVICE**

**Andhra Pradesh High Court:** Daughter in Law entitled to compassionate appointment as family member

*Smt. K. Hamakshi Vs. State of Andhra Pradesh, Dated: 17.03.2025, (MANU/AP/0400/2025)*

The **Andhra Pradesh High Court** has observed that “After a daughter gets married, she becomes an integral part of the family she joins. Conversely, the daughter-in-law, who enters the family, becomes a vital member and has a more substantial right to request compassionate appointments to ensure the welfare of her children”.

**Kerala High Court:** State to frame guidelines for ensuring anonymity of complainant in POSH Cases

*Thomas Antony Vs. State Of Kerala & Ors., Dated: 18.03.2025, (MANU/KE/0829/2025; 2025:KER:22497)*

The **Kerala High Court** has directed the State Government to frame guidelines for keeping the details of the complainant anonymous from the public domain during the inquiry proceedings under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act).



A hand holding a smartphone is shown in the background. Overlaid on the image are several white notification icons, including envelopes and checkmarks, with curved lines indicating motion or vibration. A yellow rectangular box is positioned on the left side of the image, containing the text 'Notification Updates'.

# Notification Updates

## **Election Commission**

**Press Information Bureau, Dated: 18.03.2025, MANU/PIBU/0259/2025**

The **Election Commission of India** plans to link EPIC with Aadhaar in accordance with Article 326, the Representation of the People Act, 1950, and relevant Supreme Court judgments. Technical consultations between UIDAI and ECI experts are set to commence.

## **Ministry of Communications**

**Press Information Bureau, Dated: 19.03.2025, MANU/PIBU/0263/2025**

The **Telecom Regulatory Authority of India** has amended regulations to improve the handling of spam calls, allowing customers more time to report spam and reducing the time for action against unregistered senders. These changes have led to a significant reduction in complaints and the disconnection of numerous telecom resources used for spam.

**Press Information Bureau, Dated: 17.03.2025, MANU/PIBU/0252/2025**

The Department of Telecommunications (DoT) and WhatsApp have partnered to combat digital frauds and scams by enhancing digital safety through training workshops and awareness campaigns. The initiative includes the 'Scam Se Bacho' campaign, development of user safety materials in regional languages, and collaboration on the Sanchar Saathi platform to empower citizens in identifying and reporting fraud.

## **Ministry of Finance**

**Press Information Bureau, Dated: 20.03.2025, MANU/PIBU/0268/2025**

The PFRDA has issued regulations for the operationalization of the Unified Pension Scheme (UPS) for central government employees covered under the National Pension System (NPS). The regulations, effective from April 1, 2025, allow enrolment for existing employees, new recruits, and certain retired employees or their spouses. Enrolment and claim forms will be available online and can also be submitted physically.

**Press Information Bureau, Dated: 18.03.2025, MANU/PIBU/0260/2025**

The CBDT is inviting stakeholders to provide input on the Income Tax Bill 2025 through a utility on the e-filing portal. This initiative aims to simplify tax rules and forms, reduce compliance burdens, and eliminate obsolete regulations, enhancing clarity and efficiency in tax processes.

**Circular No. : 04/2025, Dated: 17.03.2025, MANU/DTCR/0004/2025**

The revised guidelines for compounding offences under the Income-Tax Act simplify the process by removing offence categorization, allowing multiple applications, and eliminating time limits. All offences are now compoundable, and applications can be filed without a limit on the number of times. Extensions for payment of compounding charges are possible up to 24 months without additional charges.

## **Ministry of Home Affairs**

**Press Information Bureau, Dated: 19.03.2025, MANU/PIBU/0266/2025**

The Nidaan Portal is designed for Drugs Law Enforcement Agencies to aid in investigations and proactive policing by providing data on narcotics offenders. It is part of several IT-driven initiatives by the government to enhance drug law enforcement, including the Narco Coordination Portal, CCTNS, and a task force on Darknet and Crypto-Currency.

## **Ministry of Rural Development**

**Press Information Bureau, Dated: 19.03.2025, MANU/PIBU/0267/2025**

The **Mahatma Gandhi National Rural Employment Guarantee Scheme** has seen significant improvements in budget allocation, asset creation, and women's participation over the past decade. The government has implemented reforms like Aadhaar-based payments and digital monitoring systems to enhance transparency and efficiency, resulting in increased livelihood security and reduced water stress in rural areas.

## **Ministry of Labour & Employment**

**Press Information Bureau, Dated: 17.03.2025, MANU/PIBU/0249/2025**

**EPFO** has streamlined the claim settlement process by enhancing auto-mode processing limits, simplifying member detail corrections, and increasing online claim submissions. They have also relaxed certain requirements and centralized member databases to improve efficiency.

## **Reserve Bank of India**

**Press Release No.: 2024-2025/2404, Dated: 18.03.2025, MANU/RPRL/0209/2025**

The **Reserve Bank of India** and the Bank of Mauritius have signed a Memorandum of Understanding to promote the use of their local currencies, the Indian Rupee and the Mauritian Rupee, for bilateral transactions. This initiative aims to facilitate trade, optimize transaction costs, and strengthen economic ties between the two countries.

## **Telecom Regulatory Authority of India**

**Press Release No. : 17/2025, Dated: 18.03.2025, MANU/TRAI/0011/2025**

The **Telecom Regulatory Authority of India** has issued a response to the Department of Telecommunications (DoT) regarding the definition of international traffic, following a back-reference from DoT seeking clarification on international SMSs. The response has been made available on TRAI's website.

## **Securities and Exchange Board of India**

**Circular No.: SEBI/HO/CFD/PoD-1/P/CIR/2025/33, Dated: 19.03.2025,  
MANU/SSMD/0006/2025**

The **Securities and Exchange Board of India** has revised the minimum application size for subscribing to Zero Coupon Zero Principal Instruments on the Social Stock Exchange from Rs. 10,000 to Rs. 1,000, based on recommendations and public feedback. This change aims to protect investor interests and promote market development.

**Press Release No.: 13/2025, Dated: 19.03.2025, MANU/SPRL/0012/2025**

The **Securities and Exchange Board of India** has partnered with DigiLocker to help reduce unclaimed assets in the Indian securities market by allowing investors to store and access their demat and mutual fund holdings digitally. This initiative includes features like appointing nominees for seamless access and automated notifications to nominees upon the user's demise, ensuring easy access to essential financial information for legal heirs.

**Circular No.: SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2025/32, Dated: 19.03.2025,  
MANU/SMIS/0018/2025**

The **Securities and Exchange Board of India** has introduced measures to minimize the creation of Unclaimed Assets (UA) in the securities market. This initiative aims to streamline the process of accessing and transmitting financial assets upon an investor's demise, ensuring that investments are not left unclaimed.

**Circular No.: SEBI/HO/AFD/PoD-1/OW/2025/7738, Dated: 13.03.2025,  
MANU/SMIS/0017/2025**

The document is a response from the **Securities and Exchange Board of India** to Firstport Ventures LLP, addressing queries related to operational issues faced by their Angel Fund. It provides guidance on investment regulations, minimum investment amounts, and the eligibility of entities as angel investors, while also clarifying that certain queries fall outside the scope of SEBI's informal guidance.

# News



## Arbitration

**17.03.2025**

The **Delhi High Court** has ruled that under Section 11(6) of the Arbitration Act, a court can appoint an arbitrator if the MSME Council fails to initiate mediation as required under Section 18 of the MSME Act.

## Civil

**23.03.2025**

Senior Advocate N. Hariharan has been elected as the President of the **Delhi High Court Bar Association**.

**21.03.2025**

The **Supreme Court** declined to intervene in the implementation of the Union Government's Haj Policy for 2025, which was formulated in consultation with the Kingdom of Saudi Arabia.

The **Supreme Court** Collegium advised the transfer of Justice Yashwant Verma, a judge of the Delhi High Court after reports emerged of significant unaccounted cash being found in his official residence.

The **Allahabad High Court Bar Association** has sent a strongly worded letter to the Chief Justice and all the Judges of the Allahabad High Court, expressing opposition to the proposed repatriation of Justice Yashwant Verma from the Delhi High Court back to the Allahabad High Court, following the alleged recovery of a substantial amount of cash from his residence.

**20.03.2025**

The **Supreme Court** has observed that acid attack victims can approach State Legal Services Authorities if there is a delay or default in the payment of compensation.

The **Supreme Court Advocates-On-Record Association** sent a letter to Chief Justice Sanjiv Khanna, highlighting the significant difficulties faced by Advocates-on-Record in obtaining accurate and reliable translations of annexures and supporting documents needed for submissions to the Supreme Court.

The **Bar Council of India** issued a show-cause notice to law firm DSK Legal for "professional misconduct" for using Bollywood actor Rahul Bose in a promotional video advertisement to advertise itself.

**19.03.2025**

The **Supreme Court** rules that only advocates physically present and arguing in court, along with one assisting advocate, will be recorded.

The **Delhi High Court** while hearing a PIL regarding the issue of ocular injuries caused due to usage of firecrackers, has observed that misuse of firecrackers has the potential not only to cause ocular injuries but also injuries to any other body part, even to the pets and other animals.

The **Kerala High Court** directed the State government to submit a draft composition of the working group within one week. This group is intended to create comprehensive rules to address the growing issue of ragging in the State.

**18.03.2025**

The **Delhi High Court** has directed the Central Government to comply with a Supreme Court order directing the treatment of a petition as a representation which sought direction to change the name of the country to "Bharat" from "India".

The **Delhi High Court** has directed the Bar Council of India to enroll a South Korean citizen as an advocate within two days. The Court observed that enrollment cannot be withheld since there was no stay of a single judge order quashing BCI's decision to refuse enrollment.

**17.03.2025**

The **Bar Council of India** issued a press release taking a strict view on unethical legal advertising, misleading social media promotions, and professional misconduct by advocates and legal influencers.

## **Criminal**

**18.03.2025**

The **Supreme Court** has asked the CBI to put up a proposal regarding the inquiry/investigation into a builder-banks nexus in the National Capital Region. The Court also appointed an Amicus Curiae for assistance in the matter.

**17.03.2025**

The **Supreme Court** has ruled that a magistrate cannot instruct the police to include an accused in the charge sheet. Instead, the magistrate should issue a summons for the person who is proposed to be added.

The **Supreme Court** has criticized the condition for anticipatory bail that requires the accused to be arrested only after the filing of the chargesheet.

The **Delhi High Court** has observed that the conviction of the accused under Section 138 of the Negotiable Instruments Act(NI), 1881 does not qualify as a reason for the Appellate Court to direct deposit of 20% of the fine or compensation under Section 148 of the NI Act.

The **Allahabad High Court** has observed that the act of grabbing the breasts of the minor victim and breaking the string of her pajama will not constitute the offense of rape or an attempt to rape.

## Education

**18.03.2025**

The **Supreme Court** while hearing a plea challenging Allahabad High Court's order directing private schools to either adjust/reimburse 15% of fees paid by parents during the Covid period, has constituted a committee to examine the financial status of private schools.

## Excise

**20.03.2025**

The **West Bengal government** has presented a proposal to the state legislative assembly to amend the Bengal Excise Act, 1909, allowing women to work in liquor 'ON' shops, a practice currently prohibited under the excise rules

## Limitation

**18.03.2025**

The **Orissa High Court** has observed that although the Limitation Act, 1963 is not strictly applicable to a writ petition, the principles apply. Delay or laches is one of the factors which is to be kept in mind by the High Court as a party who is guilty of delay and laches cannot be granted any relief.

## Family

**20.03.2025**

A **Family Court** in Mumbai annulled the marriage between Indian cricketer Yuzvendra Chahal and his estranged wife, Dhanashree Verma.

**19.03.2025**

The **Delhi High Court** has stated that a well-educated wife, with experience in a suitable gainful job, ought not to remain idle solely to gain maintenance from her husband.

## Insolvency

**19.03.2025**

The **National Company Law Appellate Tribunal** ruled that an allottee cannot be considered a financial creditor if the allotted unit is canceled at their request.



## Media

**18.03.2025**

The **Kerala High Court** has observed that violence in visual media can have an undesirable effect on people because of glorification of violence. On the other hand, to what extent it can be shown depends on what is public morality, what is constitutional morality.

## Service

**18.03.2025**

The **Calcutta High Court**, while dismissing multiple pleas that had challenged the conduct of West Bengal Judicial Services Exam, 2022, has lifted the stay order on recruitment of qualified civil judges.



# International Updates

## Company & Commercial

### **APRA introduces new remuneration disclosure requirements under CPS 511**

The Australian Prudential Regulation Authority has officially implemented new remuneration reporting obligations for regulated entities, set to take effect for financial years ending on or after December 31, 2024. Entities must publish their first disclosure within six months of the financial year's end. These requirements, outlined under CPS 511, mandate clear and comprehensive public disclosures regarding remuneration frameworks and practices. The new framework replaces the previous reporting obligations under APS 330 while operating alongside existing disclosure requirements under Section 300A of the Corporations Act 2001 and the Workplace Gender Equality Act 2012. Entities must now provide detailed quantitative data, increasing transparency in remuneration practices.

### **High Court rules Victorian group costs orders cannot be enforced in New South Wales**

In the case of *Bogan v Estate of Peter John Smedley (Deceased)* [2025] HCA 7, the High Court of Australia ruled that a group costs order issued by the Supreme Court of Victoria would not remain valid if the proceeding was transferred to the Supreme Court of New South Wales. Since New South Wales lacks the authority to grant such orders, the High Court found that transferring the case would create a substantial risk that the proceedings could not continue due to a lack of viable funding. The ruling highlights the advantages of Victoria's group costs order regime for plaintiff law firms, particularly in cases where alternative funding options are unavailable.

## Environment

### **Australia approves first method for Nature Repair Market biodiversity scheme**

Australia has taken a major step in environmental protection with the approval of the first method under its Nature Repair Market scheme, which enables proponents to earn and trade biodiversity certificates. The newly approved Replanting Native Forest and Woodland Ecosystem method focuses on restoring native biodiversity by replanting forests in previously cleared areas. Established in 2023, the Nature Repair Market aims to attract investments in environmental restoration. These biodiversity certificates can be sold, retained, or deposited with the Clean Energy Regulator, though they cannot be used to meet environmental offsetting obligations. The market's effectiveness will be tested as demand is expected from corporate disclosure requirements and environmental, social, and governance (ESG) investments.

## Corporate Governance

### **Australian Prudential Regulation Authority proposes skills-based board requirements**

The Australian Prudential Regulation Authority has released a discussion paper in March 2025 proposing significant governance reforms for banks, insurers, and registrable superannuation entity licensees. Under the new proposals, boards must formally identify and document the necessary skills and expertise required for effective governance, evaluate their current capabilities, and take steps to address any skill gaps through succession planning and professional development. The initiative aims to strengthen corporate governance and ensure board members have the necessary competencies to manage regulated entities effectively.

## **Competition and Antitrust**

### **Australian Competition and Consumer Commission introduces mandatory merger notifications**

With the passage of the Treasury Laws Amendment (Mergers and Acquisitions Reform) Act 2024, Australia is set to introduce mandatory merger notifications for acquisitions from January 1, 2026. Previously, companies were not required to notify the Australian Competition and Consumer Commission of mergers unless they voluntarily sought approval. Under the new law, parties to a transaction must proactively engage with regulators to avoid penalties. The legislation also includes a "standstill obligation," prohibiting any steps that would implement a merger before obtaining approval. Transactions not completed before January 1, 2026, will be subject to the new regulatory framework, increasing scrutiny on competition risks in corporate acquisitions.

## **Healthcare & Life Sciences**

### **Therapeutic Goods Administration updates approvals for multiple cancer and respiratory treatments**

Australia's Therapeutic Goods Administration has updated its prescription medicines evaluation list for February 2025. One of the key reviews includes a new indication for Merck Sharp & Dohme's Keytruda (pembrolizumab) for head and neck squamous cell carcinoma, either as a preliminary treatment before surgery or in combination with radiotherapy followed by Keytruda alone. Additionally, the regulatory authority has granted expanded approvals for several drugs, including Bristol-Myers Squibb's Opdivo (nivolumab), Astellas Pharma's Padcev (enfortumab vedotin), Sanofi's Dupixent (dupilumab), and AstraZeneca's Imfinzi (durvalumab). These approvals cover treatments for high-risk locally advanced cervical cancer, metastatic urothelial carcinoma, limited-stage small cell lung cancer, and chronic obstructive pulmonary disease, with registrations taking effect between February and March 2025.

## **CHINA**

## **Copyrights**

### **New regulations introduced for handling foreign-related intellectual property disputes**

On March 19, 2025, Chinese Premier Li Qiang issued a State Council decree enacting the Regulations of the State Council on Handling Foreign-Related Intellectual Property Disputes, which will take effect on May 1, 2025. The regulations consist of 18 articles aimed at improving access to overseas intellectual property information, facilitating dispute resolution, and enhancing risk management. They also establish stricter guidelines for evidence collection and sharing of materials abroad, ensuring compliance with domestic laws and international treaties. The measures encourage mediation, arbitration, and industry-specific training while promoting insurance options for intellectual property protection.

## **Corporate Finance & Mergers and Acquisitions**

### **Supreme People's Court emphasizes good faith in integrated circuit layout design registrations**

The Supreme People's Court of China has ruled that intellectual property rights must be acquired and exercised in accordance with the principle of good faith. The ruling arose from an appeal involving the revocation of an integrated circuit layout design right, where the petitioner argued that the contested design lacked originality and was identical to a prior layout design. The China National Intellectual Property Administration revoked the registration, leading the affected company to challenge the decision in court. The case underscores that violations of good faith in intellectual property applications may result in adverse legal consequences.

## **Information Technology & Data Protection**

### **China introduces mandatory labeling requirements for artificial intelligence-generated content**

On March 14, 2025, the Cyberspace Administration of China, along with the Ministry of Industry and Information Technology, the Ministry of Public Security, and the National Radio and Television Administration, announced new measures for labeling artificial intelligence-generated synthetic content. These regulations, set to take effect on September 1, 2025, require explicit and implicit labeling of all artificially generated text, images, videos, and virtual content. The labeling guidelines aim to prevent misinformation and regulate artificial intelligence applications. The announcement aligns with growing concerns raised during the National People's Congress meetings about the need for stricter oversight of artificial intelligence-generated content.

## **Internet & Social Media**

### **China mandates strict labeling rules for artificial intelligence-generated content**

On March 7, 2025, the Cyberspace Administration of China, in collaboration with several government agencies, issued the Measures for the Labeling of Artificial Intelligence-Generated Content. These rules require all internet service providers to apply both explicit and implicit labels to synthetic content. Explicit labels must be clearly visible in text, sound, or images, while implicit labels must be embedded in metadata. The government has also introduced a national standard, Cybersecurity Technology - Methods for Identifying Artificial Intelligence-Generated Content (GB 45438-2025), which takes effect on September 1, 2025. The measures are designed to enhance transparency and prevent the spread of misleading artificial intelligence-generated materials.

## **Capital Markets**

### **Canadian Securities Administrators delegate additional registration functions to Canadian Investment Regulatory Organization**

On March 18, 2025, the Canadian Securities Administrators confirmed their decision to delegate further registration and oversight responsibilities to the Canadian Investment Regulatory Organization. This move follows a November 2024 proposal aimed at improving regulatory efficiency and harmonizing oversight across Canada. While investment dealers and mutual fund dealers will fall under the delegated authority, portfolio managers, investment fund managers, exempt market dealers, and other entities will remain under the supervision of their principal regulators. The Ontario Securities Commission has already issued a delegation order on March 7, 2025, which will take effect on April 1, 2025. The Canadian Securities Administrators have also introduced an online resource to keep market participants updated on the delegation process.

## **Company And Commercial**

### **Canadian courts clarify temporal boundaries of duty of honest performance in contracts**

Since the Supreme Court of Canada's ruling in *Bhasin v Hrynew*, 2014 Supreme Court of Canada 71, the duty of honest performance in contracts has remained a subject of legal debate. A key area of contention has been its overlap with tort claims for misrepresentation. Recent judgments from courts in British Columbia and Alberta suggest that the duty of honest performance is temporally limited to representations made after a contract's formation. In *C.M. Callow Inc. v Zollinger*, 2020 Supreme Court of Canada 45, Justice Brown noted that this duty is comparable to fraudulent misrepresentation but applies only post-contract formation. While some Canadian courts initially resisted this interpretation, newer rulings are aligning with the principle that claims for a breach of honest performance cannot extend indefinitely, thereby restricting their use as disguised tort claims.

## **Compliance Management**

### **Judicial review of adjudication determinations in the Ontario Divisional Court**

In recent months, the Ontario Divisional Court has issued multiple rulings concerning judicial review applications challenging an adjudicator's determination. The first of these, *Ledore Investments v. Dixin Construction*, decided in January 2024, established key principles regarding the reviewability of adjudication decisions. The court emphasized that procedural fairness, including the right of all parties to be heard on decisive matters, is a valid basis for judicial review. Subsequent cases have expanded upon this precedent, offering additional insights into the scope and grounds for such challenges. One such case, *Caledon (Town) v. 2220742 Ontario Limited operating as Bronte Construction*, involved a contractual dispute over compensation following the termination of a construction agreement related to wastewater pond cleanup projects. The case provides further clarification on the role of adjudication in resolving contractual disputes and the circumstances under which judicial intervention may be warranted.

## **Healthcare and Life Sciences**

### **Pest Management Regulatory Agency seeks input on amendments to pest control regulations**

On March 7, 2025, the Pest Management Regulatory Agency of Health Canada published two consultation documents proposing amendments to the Pest Control Products Regulations under the Pest Control Products Act. These amendments aim to clarify which pest control products require registration, which are exempt, and which may be authorized without registration. The proposals, identified as Regulatory Proposal PRO2025-01 and Regulatory Proposal PRO2025-02, are part of broader regulatory modernization efforts to balance industry needs with environmental and health safeguards. Stakeholders have been invited to submit feedback by May 6, 2025, as the agency continues its efforts to streamline regulatory processes while maintaining strong oversight of pest control products.

## **Information Technology and Data Protection**

### **Québec privacy regulator bans retailer from using facial recognition for loss prevention**

On February 18, 2025, the Commission d'accès à l'information du Québec ruled against a major grocery and pharmacy retailer, prohibiting its use of facial recognition technology for shoplifting and fraud prevention. While video surveillance is widely accepted in retail environments, the court held that the extraction of biometric data from surveillance footage must comply with the Act to Establish a Legal Framework for Information Technology in Québec. The investigation assessed the retailer's compliance with regulations governing biometric data use but did not address broader privacy concerns under the Act Respecting the Protection of Personal Information in the Private Sector. This ruling follows prior decisions setting stringent standards for biometric data processing, reinforcing the need for businesses to ensure legal compliance when deploying advanced surveillance technologies.

## **Artificial Intelligence Regulation**

### **Canada announces new advisory council to oversee responsible artificial intelligence adoption**

On March 6, 2025, the Minister of Innovation, Science and Industry of Canada, François-Philippe Champagne, announced several initiatives to enhance the safe and responsible use of artificial intelligence. The government has introduced a refreshed Advisory Council on Artificial Intelligence, established a Safe and Secure Artificial Intelligence Advisory Group to address potential risks, and released a guide for artificial intelligence system managers to implement the Voluntary Code of Conduct on the Responsible Development and Management of Advanced Generative Artificial Intelligence Systems. Additionally, six more organizations have committed to adhering to the voluntary code, joining the forty existing signatories. As part of its artificial intelligence strategy, the federal government has allocated \$2.4 billion in the 2024 budget to support artificial intelligence research, infrastructure, and workforce training, while continuing to engage in global discussions on artificial intelligence safety standards.

## Taxation

### **British Columbia court upholds additional property transfer tax on corporate real estate acquisition**

On March 7, 2025, the British Columbia Court of Appeal upheld a lower court ruling confirming that a property owner remains liable for \$6,000,000 in additional property transfer taxes under the Property Transfer Tax Act. The case involved a real estate transaction where the registered and beneficial ownership of the property was held by British Columbia-based companies, ultimately controlled by a Canadian permanent resident. The court's interpretation of the term "control" was a key issue in determining tax liability. This decision serves as a reminder of the complexities surrounding property taxation in British Columbia, particularly when corporate structures with foreign ownership components are involved. The ruling reinforces the need for careful tax planning and compliance with provincial tax laws when acquiring real estate through corporate entities.

## **FINLAND**

## Data Protection

### **Finnish authorities investigate potential unauthorized health data transfers to China**

On March 17, 2025, the Finnish Supervisory Authority announced an investigation into the transfer of personal data from a Finnish university to a Chinese company for genetic analysis services. The inquiry will determine whether the university implemented adequate safeguards to prevent misuse of the data, including unauthorized access by foreign entities. This investigation follows increased scrutiny of data transfers to China, particularly in cases involving artificial intelligence and sensitive personal information. The Finnish authorities have emphasized the importance of ensuring compliance with data protection laws to prevent potential risks associated with international data sharing.

## **HONG KONG**

## Arbitration And Alternative Dispute Resolution

### **Hong Kong court relies on deemed service clause to dismiss setting-aside application for arbitral award enforcement**

In the case of *CC v AC* [2025] Hong Kong Court of First Instance 855, decided on February 27, 2025, the Hong Kong Court of First Instance rejected an application to set aside an enforcement order for an arbitral award. The Defendant contended that it was not given notice of the arbitrator's appointment or the arbitration proceedings. However, the Plaintiff, a Singaporean individual, had served the notice of arbitration via multiple channels, including post and email. The court emphasized that the parties' agreement contained a deemed service clause, which stipulated that notices sent to the Defendant's principal address by registered post would be considered served within two days. The Defendant's failure to update its registered address and the unavailability of personnel to access the provided email addresses did not absolve it from deemed service, leading to the dismissal of its application.



# INDONESIA

## Corporate Finance

### **Indonesia introduces regulatory reforms for venture capital companies**

Indonesia's Financial Services Authority, known as Otoritas Jasa Keuangan, has issued Otoritas Jasa Keuangan Regulation Number 46 of 2024 on the Development and Strengthening of Financing Companies, Infrastructure Financing Companies, and Venture Capital Companies. This new regulatory framework, effective from December 31, 2024, replaces Otoritas Jasa Keuangan Regulation Number 34/POJK.05/2015 and introduces significant reforms for non-bank financial institutions, including venture capital companies and microfinance entities. The new regulation aligns with Law Number 4 of 2023 on Financial Sector Development and Strengthening. Key changes include guidelines for separating or spinning off Sharia-compliant business units and stricter operational, compliance, and governance requirements. These reforms aim to enhance transparency and security within Indonesia's venture capital and financial sectors.

# NEW ZEALAND

## Banking

### **Financial Markets Authority provides update on outcomes-focused regulation**

The Financial Markets Authority of New Zealand has released an update on its evolving regulatory approach, emphasizing outcomes-focused regulation. This update follows the authority's November 2023 consultation on Fair Outcomes for Consumers and Markets and outlines adjustments expected over the next three to four years. Key areas of regulatory change include modifications to supervisory engagement, increased collaboration with industry stakeholders through guidance and discussions, and the publication of detailed sector reports. The Financial Markets Authority's approach prioritizes end results for both consumers and financial markets, ensuring that regulatory oversight remains transparent and responsive to industry developments.

# TAIWAN

## Regenerative Medicine

### **Taiwan announces draft subsidiary regulations under Regenerative Medicinal Products Act**

Following the passage of the Regenerative Medicine Act and the Regenerative Medicinal Products Act by the Legislative Yuan of Taiwan on June 4, 2024, the Ministry of Health and Welfare has released draft subsidiary regulations for public review. These regulations, issued under the Regenerative Medicinal Products Act, address safety monitoring of regenerative medicine, data preservation related to supply sources, advertising guidelines for tissue and cell donor recruitment, and informed consent requirements. One notable draft measure, the Regulations for the Management of Regenerative Medicine Safety Surveillance, announced on August 19, 2024, is based on Article 17, Paragraph 3 of the Regenerative Medicinal Products Act and aims to ensure stringent oversight of regenerative medicinal products. The implementation date for these regulations will be determined by the Executive Yuan.

## **Banking**

### **OCC grants conditional approval for SmartBiz Bank's business model transformation**

On March 17, 2025, the Office of the Comptroller of the Currency (OCC) approved SmartBiz Loans' acquisition of CenTrust Bank, N.A. in Northbrook, Illinois, allowing the bank to operate under the new name of SmartBiz Bank, N.A. The approval facilitates the expansion of SmartBiz Bank's small business lending operations across the country. This decision followed a thorough review of SmartBiz's operations to ensure its business model adhered to federal banking system principles of safety, soundness, and fairness. The approval includes several conditions, such as notifying the OCC of any significant changes to the business plan, adhering to loan concentration limits, maintaining a specific tier 1 leverage ratio for the first three years, and receiving a \$6 million capital infusion from its parent company post-transaction. Additionally, SmartBiz must obtain OCC approval for any new executive officers or directors within the first two years of operation.

## **Cryptocurrency**

### **State attorneys general raise concerns over Bitcoin ATMs facilitating scams**

In March 2025, Pennsylvania and Iowa's attorneys general intensified scrutiny of Bitcoin transaction machines (BTMs), alleging that these kiosks are being used to perpetrate scams. Pennsylvania Attorney General David Sunday issued a consumer alert warning residents about criminals using BTMs to access their money by coercing victims into withdrawing large sums in cash and depositing them into Bitcoin ATMs. The scam typically involves scammers gaining personal information about their victims and using fraudulent tactics to induce the victim to make payments, often through Bitcoin ATMs. Iowa Attorney General Brenna Bird filed lawsuits against two major BTM operators, Bitcoin Depot and CoinFlip, accusing them of allowing scams to flourish by collecting unlawful fees and failing to prevent fraudulent transactions. These moves highlight growing concerns over BTMs as vehicles for illicit financial activities.

### **OCC affirms national banks can engage in cryptocurrency and stablecoin activities**

On March 7, 2025, the Office of the Comptroller of the Currency (OCC) issued Interpretive Letter 1183, which rescinds the more restrictive stance previously outlined in Interpretive Letter 1179. This new ruling allows national banks and federal savings associations to engage in cryptocurrency-related activities such as crypto custody, stablecoin operations, and participation in independent node verification networks without requiring supervisory nonobjection. The OCC's decision, backed by its growing expertise in cryptocurrency regulation, marks a shift from previous policies under the Biden administration, which had imposed stricter controls. The ruling emphasizes that banks can now proceed with these activities more freely as long as they implement proper risk management and compliance measures.

## **Finance**

### **FinCEN mandates new currency transaction report filings for certain businesses**

On March 11, 2025, the Financial Crimes Enforcement Network (FinCEN) issued a Geographic Targeting Order (GTO) requiring money services businesses in specific areas of California and Texas to file Currency Transaction Reports (CTRs) for transactions between US\$200 and US\$10,000. While the regular CTR requirement for transactions over US\$10,000 remains unchanged, the GTO lowers the reporting threshold for certain smaller transactions. This new regulation, effective from April 14, 2025, for 180 days, is part of ongoing efforts to combat illicit financial activity, particularly those involving drug cartels and other illegal actors operating near the U.S.-Mexico border. FinCEN has the authority to extend or amend this GTO, potentially expanding it to other states like Arizona or New Mexico.

## **Securities**

### **SEC issues guidance for funds to fundraise more easily under Rule 506(c)**

On March 12, 2025, the Securities and Exchange Commission (SEC) provided new guidance aimed at simplifying the fundraising process for private funds under Rule 506(c) of the Securities Act of 1933. The rule allows private funds to engage in general solicitation, provided they take steps to verify the accreditation status of investors. In its latest no-action letter, the SEC staff clarified that funds could meet the verification requirement by referencing a minimum investment amount, bypassing more burdensome verification steps. This guidance is expected to encourage registered investment advisers and exempt reporting advisers to more freely raise capital and publicize their offerings, including through various media channels, without worrying about strict limitations imposed under previous rules.

### **Acting SEC Chair advocates for changes in rulemaking process**

In a recent speech, Acting SEC Chair Mark Uyeda highlighted the need for a more methodical and steady approach to the SEC's rulemaking process. Criticizing the previous administration's reliance on "rulemaking shortcuts" and shortened comment periods, Uyeda emphasized the importance of clear identification of a rule's purpose, proper stakeholder engagement, and economic analysis before rule implementation. He also advocated for revisiting or withdrawing rules that fall outside statutory authority and suggested moving away from the "inflexible approach" of the past four years. Uyeda's remarks underline a shift toward more flexible regulation to support innovation while upholding the SEC's core mission of protecting investors, maintaining fair markets, and facilitating capital formation.

### **SEC extends compliance deadline for Names Rule amendments**

On March 14, 2025, the Securities and Exchange Commission (SEC) extended the compliance date for amendments to Rule 35d-1, also known as the Names Rule, under the Investment Company Act of 1940. The rule mandates that registered investment companies must invest at least 80% of their assets in line with the focus implied by their name. The amendments also require funds to provide clearer disclosures about their investment strategy if their names suggest a focus on specific sectors, such as "growth," "value," or environmental, social, and governance (ESG) factors. Funds must notify shareholders if they fail to meet this policy and adjust their names accordingly. Additionally, new reporting, notice, and recordkeeping requirements will apply to funds using derivatives strategies.

## **SEC charges former cannabis CFO in \$4.2M accounting fraud scheme**

The U.S. Securities and Exchange Commission (SEC) has charged Glen Leibowitz, the former Chief Financial Officer of Acreage Holdings, with orchestrating a \$4.2 million fraudulent round-trip transaction to manipulate the company's cash balance. The SEC alleges that Leibowitz coordinated a short-term loan between Acreage and a related non-profit entity to artificially inflate the company's cash reserves by over 15% at the end of 2019. The scheme was designed to mislead investors regarding the company's financial position, particularly important given the cannabis industry's difficulty accessing traditional financing. Leibowitz is accused of misrepresenting the transaction to auditors and instructing accountants to falsify financial records, thereby misleading stakeholders about Acreage's true financial health.

## **Capital Markets**

### **District judge orders return of mootness fees in Akorn shareholder lawsuits and hints at further sanctions**

A U.S. district judge for the Northern District of Illinois recently ruled that attorneys representing shareholders of Akorn Inc. must return \$332,500 in attorneys' fees related to a series of lawsuits that he deemed frivolous. These lawsuits were filed after Akorn announced a merger with another company, where shareholders sought to compel the company to amend its proxy statement, claiming violations of Section 14(a) of the Securities Exchange Act of 1934. The lawsuits were voluntarily dismissed after Akorn amended the statement and agreed to pay \$322,500 in fees. However, Theodore Frank, a shareholder, challenged the mootness fee, arguing that the claims were baseless. The judge ultimately agreed, ruling that the disclosures in question were not material to the shareholders, and ordered the return of the fees. The decision also left the door open for possible additional sanctions.

### **SEC grants multi-class exemptive relief for privately offered BDCs and closed-end funds**

On March 12, 2025, the U.S. Securities and Exchange Commission (SEC) issued a ruling that allows certain privately offered closed-end management investment companies, including Business Development Companies (BDCs), to issue multiple classes of shares with varying fees, such as sales loads and asset-based distribution fees. This new rule, known as the Private Placement Multi-Class Relief, marks a significant deviation from previous policies that restricted these types of offerings to only publicly traded funds. This exemption allows these funds to be more flexible in their fundraising and investment structures while complying with various regulations, such as those under the Securities Act of 1933, particularly Rules 506(b) and 506(c) of Regulation D. The SEC's decision could pave the way for more privately offered BDCs and other closed-end funds to diversify their financial structures.

### **Walmart rolls back DEI policies, faces backlash from state attorneys general and shareholders**

Walmart has reversed its stance on diversity, equity, and inclusion (DEI) programs, discontinuing diversity trainings and removing "diversity" and "DEI" language from company policies. The move has sparked criticism from the attorneys general of 13 states, who sent a letter urging the company to reconsider its decision, citing potential risks to its reputation and employee relations. Additionally, a group of over 30 Walmart shareholders,

managing a combined \$266 billion in assets, have requested a meeting with the company's leadership to discuss the policy shift. They argue that Walmart's decision to abandon DEI initiatives could alienate both customers and employees, especially as the company has previously benefitted from these policies. Shareholders also express concerns over the lack of business or financial justification for the policy reversal.

## **Company and Commercial**

### **More than \$1.895 billion in SBA debenture leverage priced at 4.963%**

The U.S. Small Business Administration (SBA) has priced approximately \$1.895 billion in standard debentures issued by Small Business Investment Companies (SBICs) at an interest rate of 4.963%, reflecting an increase from the previous pricing of 4.380% set in September 2024. These debentures, which are unsecured 10-year loans, allow SBICs to leverage long-term, low-cost financing to make investments in U.S. small businesses. The new pricing, which will be effective through the maturity date of March 1, 2035, represents a premium above the 10-year Treasury note rate of 4.263%. The SBA's debentures play a critical role in providing capital to small businesses that are crucial for economic growth and job creation in the United States.

### **Washington AG accuses collection agency of violating notice requirement for collecting medical debt**

The Washington State Attorney General's Office has filed a lawsuit against Renton Collections Inc., accusing the company of violating the Collection Agency Act by failing to include required disclosures in its collection letters for medical debt. The 2019 amendment to the Collection Agency Act mandates that debt collectors in Washington must include a statement with their initial written notice to medical debtors informing them of their right to request specific details about their debt, such as the original account number and an itemized statement. The Attorney General argues that Renton Collections failed to provide this information in over \$35 million worth of medical debt collections and is seeking penalties under the state's Consumer Protection Act. This case highlights the growing scrutiny of medical debt collection practices and the importance of adhering to state-specific disclosure requirements.

## **Copyright**

### **DC Circuit affirms AI cannot be author under Copyright Act**

The U.S. Court of Appeals for the District of Columbia Circuit has ruled that a machine cannot be considered an author under the Copyright Act, in the case of *Thaler v. Perlmutter*. The court upheld the U.S. Copyright Office's decision to deny a copyright application for a work that was created autonomously by an artificial intelligence system without any human creative input. The court confirmed that the Copyright Act requires that all works be authored by human beings, and thus, AI cannot be designated as an author. Additionally, the court rejected the argument that the AI-generated work could be considered a work made for hire, as the statute requires human authorship for such claims. This ruling clarifies that, under current law, AI cannot hold copyright ownership.

## **UK-based graffiti artists sue Vivienne Westwood in California for misuse of their tags**

Three UK-based graffiti artists have filed a lawsuit against Vivienne Westwood and retailers of the brand, claiming that their unauthorized use of the artists' tags on apparel misrepresents the artists' endorsement of the fashion house and damages their reputations. The artists, known as DISA, SNOK, and RENNEE, argue that their graffiti tags are a significant part of their personal identities, and the use of these tags by Vivienne Westwood falsely associates them with the brand. The lawsuit, filed in the U.S. District Court for the Central District of California, is part of a broader trend of street artists challenging fashion brands for using their work without permission. The outcome of this case could impact how graffiti art is viewed in the context of intellectual property, especially considering the complexities of cross-border copyright law and the Berne Convention.

A yellow typewriter is positioned on a yellow background. A sheet of white paper is inserted into the carriage. Three crumpled pieces of white paper are scattered on the surface below the typewriter. A vertical red bar is visible in the top left corner of the overall image.

# Trending in **News**

# Supreme Court Urges State Governments to Formulate Measures Against Patient Exploitation



## I. Factual and Legal Background

In the matter of *Siddharth Dalmia & Anr. versus Union of India & Ors.*, (MANU/SC/0341/2025; 2025 INSC 351) the petitioners, drawing from a personal tragedy involving the prolonged and expensive treatment of Smt. Neelam Dalmia for breast cancer, alleged that private hospitals systematically compel patients to purchase medicines, medical devices, implants, and consumables exclusively from their in-house or affiliated pharmacies. The petitioners contended that such practices result in prices far exceeding the notified market rates and constitute economic exploitation. They further argued that these practices infringe upon the constitutional right to life and health as guaranteed under Article 21 of the Indian Constitution. The petitioners also invoked the Directive Principles under Articles 38, 39, and 47 of the Indian Constitution to assert that the State is duty-bound to implement regulatory mechanisms to prevent such exploitation.

## II. Issues Presented Before the Court

The petition raised several critical issues for judicial determination. Central among these was whether the State and Union could, through legislative or administrative measures, regulate the pricing policies and commercial arrangements of private hospitals without impeding the growth of the healthcare sector. The petitioners sought a direction to prohibit private hospitals from mandating that patients purchase medicines and related items solely from designated pharmacies, a practice alleged to be tantamount to economic exploitation. Furthermore, the petition questioned the existing framework wherein the pricing of such consumables, which do not come under the Drugs and Cosmetics Act, 1940, remained unregulated.



### **III. Judicial Reasoning and Legal Analysis**

The Bench, comprising Justices Surya Kant and N. Kotishwar Singh, acknowledged the public importance of ensuring affordable healthcare and protecting patients from economic exploitation. However, the Court was cautious in its approach, noting that the matter primarily involves policy considerations which are better addressed by the State governments. The judgment observed that public health and sanitation, as well as the regulation of hospitals, fall under the purview of the State List in the Constitution. In light of this, the Court opined that any regulatory measure concerning pricing, or the commercial practices of private hospitals must be framed by the State governments, who are in the best position to evaluate local conditions and economic imperatives. The Court stressed that an overly rigid judicial intervention could potentially deter private investment in healthcare, which has been pivotal in augmenting the country's medical infrastructure. Accordingly, the Court did not issue mandatory directions that would restrict private hospitals but rather directed the States to deliberate and adopt appropriate policy measures.

The Court disposed of the writ petition by directing all State governments to consider the issue of unreasonable charges and patient exploitation in private hospitals and to take suitable policy decisions.

## Supreme Court: Only those Advocates who are physically present in court and arguing the matter can have their names marked in court orders



The Bench of Justices Bela M. Trivedi and Satish Chandra Sharma in *Supreme Court Bar Association & Anr. Vs. State Of Uttar Pradesh & Ors. (MANU/SC/0359/2025; 2025 INSC 364)* observed that to regulate the practice and procedure of the Supreme Court, the respective Court Masters shall record appearances only of:

- Senior Advocate/AOR/Advocate who are physically present and arguing in the Court at the time of hearing of the matter,
- One Advocate/AOR each for assistance in Court to such arguing Senior Advocate/AOR/Advocate

The Court also stated that a Senior Advocate shall not appear without an AOR in the Supreme Court.