28TH SEPT-3RD OCT, 2026

Manupatra Weekly wrap

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CASE LAWS

BANKING

Supreme Court: Cheque dishonour notices valid if sent to drawer's address and received by family

Sainaba Vs. State of Kerala & Anr., *Dated: 30.09.2026, (MANU/SC/1109/2026; 2026 INSC 1069)*

The Supreme Court has observed that **a statutory demand notice under the Negotiable Instruments Act, 1881 cannot be treated as invalid** merely because it was received by a family member of the drawer, where it was sent by registered post to the drawer's correct address.

CIVIL

Supreme Court: Omitted relief barred despite liberty to file fresh suit under Order 23 CPC, 1908

Bombay Garage Ahmedabad Limited & Ors. Vs. J P Iscon Private Ltd. & Anr., *Dated: 29.09.2026, (MANU/SC/1103/2026; 2026 INSC 1066)*

The Supreme Court has observed that a **plaintiff who omits specific performance from an injunction suit without leave under Order 2 Rule 2 CPC cannot later seek that relief in a fresh suit,** even if liberty to file afresh was granted under Order 23 Rule 1 CPC.

Allahabad High Court: Food safety department, municipal bodies cannot license hookah bars; police can enforce COTPA

Aftek Foods and Beverages Pvt. Ltd. Vs. State of U.P. & Ors., *Dated: 29.09.2026, (MANU/UP/2717/2026; 2026:AHC-LKO:69218-DB)*

The Allahabad High Court has observed that **neither the Food Safety and Drug Administration nor the Municipal Corporation has jurisdiction to license or regulate hookah bars in Uttar Pradesh**, while police can act against establishments violating the Cigarettes and Other Tobacco Products Act, 2003.

CRIMINAL

Supreme Court: Custodial Confession Alone Cannot Justify Preventive Detention

Mulla Afroz v. Union of India & Ors., *Dated: 29.09.2026, (MANU/SC/1102/2026; 2026 INSC 1067)*

The Supreme Court has observed that *"we are of the considered opinion that a confessional statement made before a police officer cannot, by itself, and in the absence of any independent material lending support thereto, constitute a basis for forming the subjective satisfaction necessary to sustain an order of preventive detention. To permit such a course would be to allow a detention order to rest upon a foundation which the law itself regards with suspicion and excludes from evidentiary consideration."*

Bombay High Court: WhatsApp circulation of objectionable photos can attract SC/ST Act

Nikhil Vs. State of Maharashtra & Anr., *Dated: 29.09.2025, (MANU/MH/6402/2026; 2026:BHC-NAG:13009)*

The Bombay High Court has observed that circulating objectionable photos or videos of a Scheduled Caste or Scheduled Tribe person on platforms like WhatsApp may fall within **"public view"** and **attract provisions of the SC/ST (Prevention of Atrocities) Act, 1989.**

Delhi High Court: Magistrate must examine complainant, hear accused before taking Cognizance

Dr Rita Bakshi Vs. Seema Bajaj & Anr., *Dated: 29.09.2026, (MANU/DE/7404/2026; 2026:DHC:8460-DB)*

The Delhi High Court has observed that **under Section 223(1) BNSS, 2023 a Magistrate can take cognizance of a private complaint only after examining the complainant and witnesses on oath** and giving the accused an opportunity to be heard, both being mandatory pre-cognizance steps.

Delhi High Court: Stridhan recovery alone cannot justify custodial interrogation

Harcharan Singh Bhalla Vs. The State (Govt. Of NCT Delhi), *Dated: 28.09.2026, (MANU/DE/7293/2026; 2026:DHC:8403)*

The Delhi High Court has observed that **custodial interrogation cannot be sought merely to recover stridhan, as such recovery is outside the bail court's domain.** The ruling came while granting anticipatory bail to an 80-year-old man accused in a matrimonial dispute involving multiple offences.

Delhi High Court: Rape victim's hearing necessary before bail is granted to accused

***MS G Vs. State NCT Of Delhi and Anr**, Dated: 28.09.2026, (MANU/DE/7294/2026; 2026:DHC:8405)*

The Delhi High Court has observed that a **victim has the right to participate at every stage of criminal proceedings, including bail hearings.** It set aside bail granted in a rape case without notice to the prosecutrix and remanded the plea for fresh consideration after giving her an opportunity to be heard.

INSOLVENCY

Supreme Court: CIRP need not be set aside solely for fraudulent filing of Section 9 plea

***Orris Infrastructure Private Limited Vs. Rakesh Kumar Gupta & Ors.**, Dated: 30.09.2026, (MANU/SC/1108/2026;* 2026 INSC 1070*)*

The Supreme Court has held that the **Adjudicating Authority can recall admission of a Section 9 insolvency application under the Insolvency and Bankruptcy Code, 2016, where the proceedings were initiated on fraudulent or collusive jurisdictional facts.** However, the Court clarified that such a finding does not automatically terminate the CIRP, which must be separately assessed in the interests of the corporate debtor and other stakeholders.

Supreme Court: Successful bidder's failure to pay balance sale consideration can lead to EMD forfeiture

***M/S ASJ FINSOLUTIONS Pvt. Ltd. Vs. Vikram Bajaj,** Dated: 28.09.2026, (MANU/SC/1094/2026; 2026 INSC 1062)*

The Supreme Court has observed that a **successful bidder's failure to pay the balance sale consideration in liquidation proceedings can result in forfeiture of the Earnest Money Deposit (EMD),** where the auction terms provide for such forfeiture, even though the Liquidation Process Regulations do not expressly prescribe it.

LABOUR AND INDUSTRIAL

J&K&L HC: Cardiac arrest from stress of long-distance driving is compensable

***Oriental Insurance Co. Ltd. Vs. Jan Begum & Ors.**, Dated: 28.09.2026, (MANU/JK/0873/2026)*

The J&K&L High Court has observed that a **tanker driver's death from cardiac arrest may be compensable under the Employees' Compensation Act, 1923** where evidence shows a reasonable link between the cardiac event and the stress and strain of long-distance driving.

RIGHT TO INFORMATION

Gujarat High Court: CIC cannot order Suo motu disclosure of PM Modi's degree under RTI Act

***Arvind Kejriwal, The Chief Minister (Govt NCT of Delhi),** Dated: 29.09.2026, (MANU/GJ/2384/2026; 2026:GUJHC:61557-DB)*

The Gujarat High Court has observed that **the CIC lacked authority to Suo motu direct disclosure of PM Narendra Modi's degree at the RTI second-appeal stage.** It also observed that his educational qualifications had no bearing on his election to a constitutional post.

MOTOR VEHICLE

Calcutta High Court: Insurer must compensate child's accidental death despite driver's fake licence

Soma Das & Anr. Vs. The Manager, Magma HDI General Insurance Company Ltd. & Anr., *Dated: 28.09.2026, (MANU/WB/2299/2026)*

The Calcutta High Court has enhanced compensation for the accidental death of a five-and-a-half-year-old girl from Rs. 3.49 lakh to Rs. 5 lakh, holding that the **amended Second Schedule to the Motor Vehicles Act, 1988 applied to the pending claim.**

PROPERTY

J&K&L High Court: Minority during attestation cannot justify decades-long delay in challenging mutation

Mrs. Kareena Jamwal Vs. Union Territory of Jammu & Kashmir & Ors., *Dated: 29.09.2026, (MANU/JK/0871/2026)*

The J&K&L High Court has observed that **minority at the time of mutation cannot justify decades of inaction after attaining majority.** Finding the delay of over five decades unexplained despite other cited circumstances, the Court dismissed the challenge to a 1970 mutation.

SERVICE

Supreme Court awards Rs.1 Lakh compensation to daily-wage workers in 25-year-old Bihar dues case

Bihar State Ardh Sarkari Arajpati Karamchari Maha Sangh And Others Vs. State Of Bihar And Others, *Dated: 28.09.2026, (MANU/SC/1096/2026; 2026 INSC 1061)*

The Supreme Court has directed **Bihar and Jharkhand to pay Rs. 1 lakh each to affected daily-wage workers** of five defunct State-owned corporations, along with 12% annual interest on delayed EPF dues and 6% interest on delayed wages and other monetary dues.

NEWS IN BRIEF

CIVIL

29.09.2026

The **Supreme Court** has sought an explanation from its Registry for removing contempt petitions concerning the deputation of 46 Indian Police Service officers to five Central Armed Police Forces, despite directions for their listing, and ordered their relisting.

28.09.2026

The **Delhi High Court** has levied Rs.1 lakh costs on a counsel attending a virtual hearing from a moving car, observing that the facility of online proceedings cannot undermine courtroom decorum or hamper judicial functioning through noise and disturbance.

The **Delhi High Court** has held that preserving a park as a green and recreational space for residents must take precedence over its temporary use for organising Ramlila.

The **Madhya Pradesh High Court** has instructed the State Bar Council and bar associations to devise norms ensuring minimum stipends for junior advocates during their first three years of practice, after being apprised that a junior counsel was unpaid.

The **Madras High Court** has declined to recall its direction requiring warning labels on packaged drinking water, salt and sugar regarding microplastic and nanoplastic presence, holding that consumers possess a right to know such information.

CONSTITUTION

28.09.2026

The **Allahabad High Court** has remarked that electricity is *"an indispensable need"* in contemporary life, holding that Article 21 covers essential civic facilities and directing the North Eastern Railway to extend an electricity connection to a man who had remained without power for over a decade.

CRIMINAL

30.09.2026

The **Gujarat High Court** has rejected Asaram's plea for twenty days temporary bail to meet his ailing wife, noting her medical improvement and expected discharge within 2-3 days.

29.09.2026

The **Special Court** criticised the NIA's handling of the Antilia bomb scare case, questioning its failure to record statements of Mukesh Ambani and his family despite alleging they were targeted for intimidation, while ordering accused Sachin Waze's release.

28.09.2026

The **Supreme Court** has issued directions to strengthen public safety across Delhi-NCR while hearing a *Suo motu* case concerning rape incidents, including the alleged gang rape of a teenager in a public park. The Court expressed concern over systemic failures by law enforcement and civic authorities.

The **Supreme Court** has sought responses on a challenge to the acquittal of 22 accused in the Sohrabuddin Shaikh encounter case, noting that 92 witnesses turning hostile constitutes a serious concern warranting judicial examination.

The **Karnataka High Court** has stayed the investigation into criminal proceedings against Cult.fit co-founder Rishabh Telang concerning allegations of cheating, forgery and criminal breach of trust.

CYBER LAW

29.09.2026

The **Bombay High Court** has directed X Corp to remove a video posted by influencer Yohan Tengra against Serum Institute of India and CEO Adar Poonawalla, holding that it breached an earlier injunction in their Rs. 100-crore defamation suit. The Court also issued show-cause notices for alleged wilful disobedience.

EDUCATION

30.09.2026

The **Delhi High Court** has stayed a DU student's rustication, holding that institutional disciplinary powers cannot override the right to a fair hearing, and observing that educational authorities must exercise autonomy within legal limits and procedural fairness.

28.09.2026

The **Rajasthan High Court** has directed the State Government to submit proposed measures for the effective administration, regulation and functioning of around 3,000 Madarsas operating across the State.

FAMILY

29.09.2026

The **Jammu & Kashmir and Ladakh High Court** has observed that a divorce petition alleging cruelty within the wife's place of residence can establish territorial jurisdiction, notwithstanding that the marriage was solemnized and other events occurred elsewhere.

28.09.2026

The **Delhi High Court** has held that protection afforded to senior citizens under the 2007 Act cannot override a daughter-in-law's statutory right to reside in her matrimonial or shared household under the Domestic Violence Act, 2005.

PROPERTY

28.09.2026

The **Supreme Court** has observed that a compromise decree in a partition suit over coparcenary property is a nullity if a necessary party was not impleaded. The omitted party may seek recall of the decree before the same court that passed it.

CENTRAL

RESERVE BANK OF INDIA

Press Release No.: 2026-2027/1224, Dated: 30.09.2026, MANU/RPRL/0565/2026

The Reserve Bank of India's report highlights a **marginal decline in the weighted average lending rate on outstanding rupee loans of scheduled commercial banks to 8.96% in August 2026**. The **weighted average domestic term deposit rate on outstanding rupee term deposits also saw a slight decrease to 6.56%** in the same period.

SECURITIES AND EXCHANGE BOARD OF INDIA

Master Circular No.: HO/17/11/12(2)2026-DDHS-POD1/I/22420/2026, Dated: 28.09.2026, MANU/SMIS/0075/2026

The Securities and Exchange Board of India (SEBI) has issued a new **Master Circular for Debenture Trustees, consolidating existing circulars to streamline access and regulation**. This new circular supersedes the previous one from August 2025, ensuring continuity of actions and obligations under the rescinded circular. It aims to protect investors and regulate the securities market effectively.

MINISTRY OF FINANCE

Notification No.: 80/2026-Customs (N.T.) Dated: 30.09.2026, MANU/CUSN/0080/2026

The Ministry of Finance has amended **Notification No. 36/2001-Customs** to substitute **tariff value tables for specified goods, effective from 01.10.2026**. The changes include updated tariff values for items like **crude palm oil, gold, and silver**.

Notification No.: 52/2026-Central Excise, Dated: 30.09.2026, MANU/EXCT/0052/2026

The Central Government has amended the excise duty on a specific item to **Rs. 16 per litre, effective from 01.10.2026**, under the powers conferred by the Central Excise Act, 1944 and the Finance Act, 2002.

Notification No.: 53/2026-Central Excise, Dated: 30.09.2026, MANU/EXCT/0053/2026

The Ministry of Finance has amended a previous notification to revise the **excise duty to Rs. 10.5 per litre, effective from 01.10.2026.**

Circular No.: 07/2026, Dated: 28.09.2026, MANU/DTCR/0006/2026

The Central Board of Direct Taxes (CBDT) has **extended the deadlines for filing Income Tax Returns and audit reports for the Assessment Year 2026-27**. The new **due date for filing returns is now 21.11.2026, and for audit reports, it is 21.10.2026**.

MINISTRY OF COMMERCE AND INDUSTRY

Public Notice No.: 31/2026-2027, Dated: 30.09.2026, MANU/DGFT/0172/2026

The Directorate General of Foreign Trade has **extended the deadline for surrendering unutilized TRQ quantities allocated for the import of 10 LMT of raw sugar to 15.10.2026,** with a **fee of 0.5% of the CIF value for surrendered quantities**. All other conditions from the previous notice remain unchanged.

Notification No.: 37/2026-2027, Date: 30.09.2026, MANU/DGFT/0175/2026

The notification extends the **eligibility timelines under Component II of the Resilience and Logistics Intervention for Export Facilitation (RELIEF) until 31.03.2027**, to support Indian exporters and address logistics challenges due to the ongoing West Asia Crisis.

Notification No.: 39/2026-2027, Dated: 30.09.2026 MANU/DGFT/0174/2026

The Central Government has extended the **Minimum Import Price (MIP) condition on specific items under Chapter 29 of ITC HS, 2022, until 30.11.2026**, maintaining the MIP at **USD $111 per Kg on CIF value** for certain chemical imports.

Notification No.: 40/2026-2027, Dated: 30.09.2026, MANU/DGFT/0176/2026

The **Minimum Import Price (MIP) condition on Sulfadiazine API has been extended until 30.11.2026, maintaining the price at Rs.1774 per Kg on CIF value**. This extension is in accordance with the Foreign Trade Policy and previous notifications.

Notification No.: 41/2026-2027, Dated: 30.09.2026, MANU/DGFT/0173/2026

The **RoDTEP Scheme, which provides remission of duties and taxes on exported products, is extended until 31.12.2026, for eligible exports from Domestic Tariff Area units, Advance Authorisation holders, Special Economic Zone units, and Export Oriented Units**. Existing rates and conditions remain unchanged.

MINISTRY OF POWER

Notification No.: SO5346(E), Dated: 29.09.2026, MANU/POWR/0017/2026

The document outlines the **Corporate Average Fuel Economy Norms and Energy Consumption Standards for M1 category motor vehicles for fiscal years 2027-28 to 2031-32.** It specifies the **calculation methods for fuel consumption standards, performance assessment, and compliance requirements for manufacturers.** The document also details the mechanisms for credit trading, derogation factors, and the role of various agencies in enforcing these standards.

MINISTRY OF CIVIL AVIATION

Press Information Bureau, Dated: 29.09.2026, MANU/PIBU/1159/2026

The Directorate General of Civil Aviation (DGCA) has introduced a **new training framework for gyroplane pilots, outlining the ground and flying training syllabus required for obtaining a pilot license in this category.** This initiative aims to facilitate the introduction and operationalization of gyroplanes in India, supporting their use in various activities such as joyrides and aerial work.

MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

Press Information Bureau, Dated: 29.09.2026, MANU/PIBU/1162/202

The **Commission for Air Quality Management approved a revised Graded Response Action Plan (GRAP) for the National Capital Region, tightening measures on vehicles, dust, and pollution control.** The revised plan includes **changes in action stages, restrictions on certain vehicles, and enhanced monitoring of construction sites.** Additionally, the Commission reviewed enforcement actions, appointments, and progress on greening and plantation activities in the region.

Press Information Bureau, Dated: 29.09.2026, MANU/PIBU/1163/2026

PRAMAAN is a certification scheme under the Indian Forest and Wood Certification Scheme (IFWCS) aimed at promoting responsible deforestation-free timber sourcing and sustainable forest management. It provides a framework for Indian producers and exporters to meet global sustainability requirements, enhancing market access and supporting livelihoods for rural and tribal communities. The scheme is aligned with international standards and aims to position India as a leader in sustainable governance and trade.

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

Notification No.: HQ-PUB013/1/2020-PUB-BIS(1611), Dated: 29.09.2026, MANU/CAFF/0258/2026

The **Bureau of Indian Standards has established new Indian standards, including the revised IS/ISO 9001:2026** for **Quality Management Systems,** which will replace the previous 2015 version by March 2027.

MINISTRY OF PETROLEUM & NATURAL GAS

Press Information Bureau, Dated: 30.09.2026, MANU/PIBU/1171/2026

The **draft Petroleum (Amendment) Bill, 2026, has been released for stakeholders and public consultation.** It is available on the Ministry of Petroleum and Natural Gas website, inviting comments and suggestions. Inputs will be examined as part of the pre-legislative process.

PIB BACKGROUNDER

Press Information Bureau, Dated: 30.09.2026, MANU/PIBU/1172/2026

The **Bankers' Books Evidence Act, 2026 modernizes the legal framework for the admissibility of banking records as evidence, replacing the 1891 Act**. It introduces a **technology-neutral system for physical, electronic, and digital records, with standardized authentication and certification processes, and extends its provisions to various financial sector entities**. The Act also protects bank officials from routine appearances in legal proceedings where the bank is not a party.

MINISTRY OF TEXTILES

Press Information Bureau Dated: 30.09.2026, MANU/PIBU/1175/2026

The Ministry of Textiles has **extended the RoSCTL Scheme for exports of apparel and made ups until the end of 2026 to maintain competitiveness by remitting eligible taxes**. The scheme, benefiting over **15,400 exporters, primarily MSMEs, supports a wide manufacturing ecosystem and enhances global market participation**.

STATE

LAW

Notification No.: 7/24/2026-LA/181, Dated: 28.09.2026, MANU/SNGA/0171/2026

The **Goa Co-operative Societies (Amendment) Act, 2026** mandates strict governance for cooperative societies, **requiring directors to submit self-declarations within 15 days, complete management training within six months, and file electronic returns within 30 days post-AGM.** Affected entities should immediately file pending director declarations to avoid automatic vacation of office.

TOWN AND COUNTRY PLANNING

Notification No.: Misc. 387/34539/2026, Dated: 28.09.2026, MANU/SNHR/0190/2026

The **draft Haryana Development and Regulation of Urban Areas (Amendment) Rules, 2026** mandate **stringent documentation, financial proofs, and compulsory eco-friendly infrastructure for low-density colonies.** Developers face a **strict 60-day window to rectify application deficiencies to avoid scrutiny fee forfeiture.** Affected entities should **immediately audit pending license applications for comprehensive compliance.**

CANADA

Banking

Borrower structure should be established at the outset of Ontario real estate financing transactions

In Ontario real estate financing, **borrower structure** determines how loan and security documents should be prepared and executed. The structure affects the identity of borrowers and guarantors, the security that may be created, and the registrations required under the **Land Titles Act, R.S.O. 1990, c. L.5** and the **Personal Property Security Act, R.S.O. 1990, c. P.10**. Common arrangements include **single-purpose corporations, limited partnerships, bare trusts, joint ventures, and individual borrowers**. Each structure requires different corporate, partnership, trust and identification documents and may create different authority and liability considerations.

Employment And Labor

Bill C-39 proposes significant changes to federal labour relations

The proposed **Bill C-39, Building Canada Strong Act** contains amendments affecting federally regulated employers, employees and trade unions. A key area concerns **section 107 of the Canada Labour Code, R.S.C. 1985, c. L-2**, which permits federal intervention in labour disputes affecting the national interest. The provision has been used in disputes involving railway, port, and postal workers. The proposed changes would clarify the government's intervention powers in circumstances involving significant work stoppages. **Trade unions** have raised concerns about the potential effect on collective bargaining, while employers have supported government intervention where economic activity and supply chains may be affected. The proposals remain subject to the legislative process and are not yet enacted law.

Energy and Natural Resources

Bill C-39 proposes a faster approval framework for major projects

The proposed **Bill C-39, Building Canada Strong Act** seeks to streamline federal approval processes for major infrastructure and natural resource projects. The legislation would introduce a proposed **one-year timeframe** for certain federal reviews after project proponents provide the required information. It would also establish a **Regions of National Interest** framework to facilitate coordinated approvals for qualifying projects. The Canada Energy Regulator would receive a leading role for specified interprovincial and international pipeline and power line projects, while the Canadian Nuclear Safety Commission would lead impact assessments for certain nuclear projects. The bill also contains measures concerning transportation, supply chains, digital trade, and labour relations.

CHINA

Biopharmaceuticals

China emerges as an increasingly important source of global biopharmaceutical innovation

China is becoming an increasingly significant source of **early-stage biotechnology research and innovative clinical assets**. Faster development timelines, lower clinical trial costs, and government support have contributed to the growth of its biopharmaceutical sector. The increasing value of licensing transactions involving Chinese biotechnology companies is also changing international pharmaceutical dealmaking. Western pharmaceutical companies are increasingly considering Chinese companies for **licensing and strategic collaborations**. Geopolitical tensions and regulatory scrutiny, particularly from the United States, have also encouraged companies to develop more complex transaction structures. These may include asset spin-offs, co-development arrangements, and multi-subsidiary structures.

Information Technology and Data Protection

China's Supreme People's Court establishes judicial guidance for artificial intelligence disputes

The **Supreme People's Court of China** has issued the **Opinions of the Supreme People's Court on the Trial of Cases Involving Artificial Intelligence Disputes**, providing judicial guidance for disputes involving artificial intelligence. The framework requires courts to apply existing legislation, including the **Civil Code, Civil Procedure Law, Cybersecurity Law, Data Security Law, Copyright Law, Anti-Unfair Competition Law, Consumer Rights Protection Law and Personal Information Protection Law**. The Opinions adopt principles concerning **human interests, innovation and safety** while generally applying fault-based liability unless another law provides otherwise. They also address **artificial intelligence product liability**, including defective products, misleading representations, and inadequate warnings. The guidance is particularly relevant to companies developing or deploying artificial intelligence products and services in China.

Patents

Supreme People's Court clarifies support requirements for diagnostic patent claims

The **Supreme People's Court of China** has clarified the extent to which experimental evidence must support diagnostic patent claims in **(2022) Zui Gao Fa Zhi Xing Zhong No. 365**, concerning an invention titled **"Methods and Nucleic Acids for the Analysis of Cellular Proliferative Disorders."** The patent concerned the use of nucleic acids and related technology to identify methylation levels of **SEPTIN9 sequences** for cancer detection. The dispute concerned whether experimental results relating primarily to colorectal cancer tissue samples could support broader claims covering other sample types and hepatocellular carcinoma. The decision examined the support requirement under **Article 26(4) of the Patent Law of the People's Republic of China, 2020**. The ruling demonstrates that diagnostic claims cannot necessarily extend to materially different applications where the specification does not provide adequate supporting evidence.

Tax

China ends long-standing dividend tax exemption for foreign individual investors

China has withdrawn a long-standing **individual income tax exemption** applicable to certain dividends and profit distributions received by foreign individuals from foreign-invested enterprises. **Announcement [2026] No. 27,** issued jointly by the Ministry of Finance and the State Taxation Administration removed the exemption previously available under **Item 8 of Article 2 of Cai Shui Zi [1994] No. 20**. Dividends received by qualifying foreign individuals are now generally subject to a **20% individual income tax rate**, subject to applicable treaty relief. Foreign investors who are residents of countries having a tax treaty with China may therefore need to examine treaty provisions to determine the final tax burden. The change represents a significant alteration to the tax treatment of foreign individual shareholders of Chinese enterprises.

HONG KONG

Insolvency and Restructuring

Hong Kong Court clarifies the scope of assistance available to foreign liquidators

The Hong Kong courts have recently examined the limits of **recognition and assistance in cross-border insolvency proceedings**. In **Re Ourgame International Holdings Limited [2026] HKCFI 4671**, the Court considered recognition of liquidators appointed by the Cayman Islands Court for a Cayman-incorporated company listed in Hong Kong. The Court granted recognition and standard assistance based on the company's **place of incorporation but** declined to provide all powers available to a Hong Kong-appointed liquidator under the **Companies (Winding Up and Miscellaneous Provisions) Ordinance, Cap. 32**. In **Re Forever Winner International Limited [2026] HKCFI 5125**, the Court separately considered recognition of a foreign compulsory liquidation involving a solvent company wound up on just and equitable grounds. The decisions provide guidance on the **basis and limits of common law recognition and judicial assistance** in cross-border insolvency matters.

MALAYSIA

Family

Court of Appeal examines the enforceability of nuptial agreements under Malaysian law

The Malaysian Court of Appeal considered the enforceability of a post-nuptial agreement in **HCL v PTL & Anor [2026] 8 CLJ 675**. The case concerned **section 56 of the Law Reform (Marriage and Divorce) Act 1976**, which contemplates rules of court governing matrimonial agreements. The parties had entered into an agreement dealing with matters including **spousal and child maintenance** shortly after their marriage. The High Court had treated the agreement as valid and binding, following which both parties appealed. The Court of Appeal reconsidered the agreement's validity and enforceability together with issues concerning company shares and property acquired before the marriage. The judgment provides guidance on the statutory framework governing **nuptial agreements and matrimonial arrangements** in Malaysia.

SINGAPORE

Banking

Singapore proposes a regulatory framework for single currency stablecoins

The **Monetary Authority of Singapore** has proposed amendments to the **Payment Services Act 2019** to establish a regulatory framework for qualifying single-currency stablecoins. The proposed framework would cover certain stablecoins issued in Singapore, issued across multiple jurisdictions or issued outside Singapore, subject to regulatory requirements. The framework focuses on **financial soundness, value stability, operational capability, and consumer protection**. Stablecoins that do not qualify would generally remain regulated as digital payment tokens under the Payment Services Act 2019. The Monetary Authority of Singapore would also have proposed powers concerning **designated systemic stablecoins** where a stablecoin could create systemic risks to Singapore's financial system.

Capital Markets

Singapore Exchange Regulation introduces enhanced disclosure requirements for listed companies

Singapore Exchange Regulation is introducing enhanced requirements concerning **remuneration, dividend policies and investor relations** for listed issuers. For financial years beginning on or after 1 January 2027, annual reports will need to explain the financial and non-financial performance indicators used to determine executive remuneration. Issuers will also be required to provide information concerning their **dividend policy and investor relations policy**. Where material changes are made to remuneration performance indicators, companies will need to explain the reasons. The reforms are intended to improve the quality of information available to investors and strengthen communication between listed companies and shareholders.

Employment and Labor

Singapore High Court rules that probation does not automatically create a fixed-term employment arrangement

The Singapore High Court in **Nanyang Law LLC v Ghui Meng Yang** [**2026**] **SGHC 171** considered whether an employee's probationary period constituted a fixed-term employment arrangement. The employment contract provided for a three-month probation period and required **1 month's written notice** for termination during probation but did not state what would happen if the employee was not confirmed when probation ended. The employer treated the employment as automatically ending with the probation period, without providing notice or salary in lieu. The Court examined the actual contractual terms rather than treating the probation period itself as creating a fixed-term contract. The decision highlights the importance of clearly specifying **termination and post-probation arrangements** in employment contracts.

VIETNAM

Capital Markets

Vietnam proposes detailed reporting and disclosure requirements for crypto asset service providers

Vietnam's Ministry of Finance has proposed detailed reporting and disclosure requirements for participants in the country's pilot **crypto asset market**. The draft framework implements **Resolution No. 05/2025/NQ-CP on the Pilot Implementation of the Crypto Asset Market in Vietnam** and establishes obligations for licensed crypto asset service providers. Providers and crypto asset issuers would be required to make certain disclosures in **Vietnamese and English** and retain relevant information for specified periods. Crypto asset service providers would also need to provide advance information before admitting an asset for trading and make certain significant disclosures within **24 hours**. Trading information, including prices, volumes and selected bid and offer data, would also have to be published. The proposed framework places substantial emphasis on **market transparency and continuous regulatory reporting**.

USA

Arbitration and Alternative Dispute Resolution

Puerto Rico Supreme Court clarifies exhaustion requirements for workplace harassment claims

The **Supreme Court of Puerto Rico** has clarified the exhaustion requirements under **Act No. 90 of 7 August 2020, the Act to Prohibit and Prevent Workplace Harassment in Puerto Rico**. In **Carmen E. Reyes Cobián v Autoridad de los Puertos de Puerto Rico, 2026 TSPR 99, 218 DPR __ (2026)**, the Court considered whether an employee had to first use an employer's internal complaint procedure. The Court held that where the employer had no applicable internal complaint protocol, exhaustion of that procedure was not required. However, the employee was still required to pursue the prescribed process before the **Judiciary's Alternative Dispute Resolution Bureau**. The Court also allowed the employee's claim under **Act No. 100 of 30 June 1959, the Anti-Discrimination in Employment Act**, to proceed.

Banking

Federal banking regulators propose revised risk management guidance for third-party relationships

The **Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration and Office of the Comptroller of the Currency** have proposed revisions to federal guidance on third-party risk management. The proposed framework would place greater emphasis on a **risk-based approach**, allowing financial institutions to tailor oversight according to the nature and level of risk associated with individual third-party relationships. The regulators also issued guidance concerning community banks' relationships with core service providers. If adopted, the proposed guidance would replace the principal third-party risk management guidance issued in 2023. The proposal focuses on **risk assessment, governance, oversight, and management of third-party relationships**.

State banking supervisors release framework for examining artificial intelligence use

The **Conference of State Bank Supervisors** has released an **Artificial Intelligence Supervisory Framework** to assist state banking examiners in reviewing financial institutions' use of artificial intelligence. The framework uses a **risk-tiering model** to distinguish between lower-risk and higher-risk artificial intelligence applications. It recommends maintaining an artificial intelligence inventory, adopting written policies, training personnel, and implementing controls over data and artificial intelligence outputs. Financial institutions are also encouraged to include appropriate **audit and risk provisions in third-party contracts**. For higher-risk applications, the framework recommends independent model validation, continuing monitoring, and formal artificial intelligence governance.

Capital Markets

Securities and Exchange Commission identifies deficiencies in investment advisers' annual compliance reviews

The **Division of Examinations of the United States Securities and Exchange Commission** has identified deficiencies in annual compliance reviews conducted by registered investment advisers. The reviews are required under **Rule 206(4)-7 of the Investment Advisers Act of 1940** and must assess the adequacy and effectiveness of an adviser's compliance policies and procedures. The regulator identified issues involving **timeliness, review procedures, implementation, documentation, recordkeeping, and corrective action**. Advisers must also consider changes in their business activities and developments in applicable law and regulation. The observations highlight the need for investment advisers to maintain accurate records and ensure that their annual reviews reflect their actual compliance arrangements.

Securities and Exchange Commission proposes removal of federal shareholder proposal rule

The **United States Securities and Exchange Commission** has proposed rescinding **Rule 14a-8 under the Securities Exchange Act of 1934** and modifying related proxy solicitation requirements. Rule 14a-8 currently establishes the federal framework governing the inclusion of shareholder proposals in public company proxy statements. Under the proposal, greater reliance would be placed on **state corporate law and companies' governing documents** when determining whether shareholder proposals should be included. The Securities and Exchange Commission has also proposed amendments to **Rule 14a-4(c)** concerning discretionary voting authority. The proposal would substantially alter the existing federal approach to shareholder proposals and proxy solicitation.

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