
# Manupatra Weekly Wrap

***01st-06th Dec 2025***

## CASE LAWS

| Criminal | |
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| **Supreme Court: Prosecutor cannot neglect duty to court in pursuit of securing conviction** | *Chandan Pasi & Ors. Vs. The State of The Bihar, Dated: 01.12.2025, (MANU/SC/1607/2025; 2025 INSC 1371)*<br><br>The **Supreme Court**, while overturning the murder convictions of three individuals, emphasized that public prosecutors must act independently and assist the court, rather than merely seeking convictions at all costs, highlighting the need for impartiality and adherence to duty in criminal proceedings. |
| **Kerala High Court: Further probe under Section 173(8) CrPC allowed only by original investigating agency** | *Anish Anand Vs. State of Kerala & Ors., Dated: 01.12.2025, (MANU/KE/3918/2025; 2025:KER:92496)*<br><br>The **Kerala High Court** has reaffirmed that any further investigation under Section 173(8) of the CrPC must be carried out only by the agency that conducted the original probe and cannot be handed over to a different investigating authority. |

| Capital Market | |
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| **Bombay High Court: SEBI cleared WeWork India IPO with full caution** | *Hemant Kulshrestha Vs. Securities and Exchange Board of India (SEBI) and Ors., Dated: 01.12.2025, (MANU/MH/7982/2025)*<br><br>The **Bombay High Court** has observed that SEBI exercised "due care and caution" in approving the WeWork India IPO, dismissing petitions claiming the regulator ignored complaints about inadequate disclosures in the offer documents of the company's Indian subsidiary. |

| FEMA | |
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| **Delhi High Court: FEMA summon fall under CPC, not CrPC; ED allowed to summon Women to Office for Statements** | *Smt. Poonam Gahllot Vs. Directorate of Enforcement, Dated: 01.12.2025, (MANU/DE/9235/2025; 2025:DHC:10698)*<br><br>The **Delhi High Court** has observed that summons issued u/s 37 of FEMA are governed by the CPC, not the Criminal CrPC. The court noted that these powers mirror those u/s 131 of Income Tax Act, clarifying that FEMA summons form part of a civil-administrative process distinct from criminal investigations under the PMLA. |

| Banking | |
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| **Madhya Pradesh High Court: DRT cannot restrict or impose conditions on a person's foreign travel** | *Rajiv Soni Vs. ICICI Bank, Dated: 02.12.2025, (MANU/MP/3947/2025;2025:MPHC-IND:35067)*<br><br>The **Madhya Pradesh High Court** has observed that the Debts Recovery Tribunal lacks the authority to restrict a person's fundamental right to travel abroad and therefore cannot impose any conditional requirements on foreign travel. |

| Civil | |
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| **Supreme Court: Maharashtra can acquire land under Slum Areas Act, respecting owner's preferential rights** | *Jyoti Builders Vs. Chief Executive Officer & Ors., Dated: 02.12.2025, (MANU/SC/1609/2025; 2025 INSC 1372)*<br><br>The **Supreme Court** has dismissed a plea for compulsory acquisition of a 2,005 sq. m. Recreational Ground in Malad, Mumbai, ruling that the state cannot override a landowner's preferential right to redevelop slum-affected property under the Maharashtra Slum Areas Act, 1971. |
| **Delhi High Court: Employment disputes cannot be treated as commercial cases under the Act** | *Shakil Hamid Mansuri Vs. State of Maharashtra and others, Dated: 02.12.2025, (MANU/MH/8277/2025)*<br><br>The **Delhi High Court** has held that disputes stemming from employment agreements cannot be classified as commercial disputes under the Commercial Courts Act solely because the contracts contain business-related clauses. |

| Family | |
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| **Supreme Court: Divorced Muslim woman can reclaim gifts given to husband at marriage** | *Rousanara Begum Vs. S.K. Salahuddin @ Sk Salauddin & Anr., Dated: 02.12.2025, (MANU/SC/1611/2025; 2025 INSC 1375)*<br><br>The **Supreme Court** affirmed that a divorced Muslim woman can reclaim cash and gold gifts given to her husband by her father at marriage, under the Muslim Women (Protection of Rights on Divorce) Act, 1986. |

| Human Rights | |
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| **Supreme Court directs UPSC to permit scribe changes till seven days before exams and review screen-reader use** | *Mission Accessibility Vs. Union of India & Ors., Dated: 03.12.2025, (MANU/SC/1620/2025; 2025 INSC 1376)*<br><br>The **Supreme Court** has ordered that UPSC candidates with disabilities be allowed to change their scribe's name up to seven days before the exam and directed UPSC to submit, within two months, a plan for implementing screen-reader software for visually impaired candidates. |

| Excise | |
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| **Supreme Court: Excise exemption on cotton fabrics is denied if any related process uses power** | *Commissioner Of Customs, Central Excise & Service Tax, Rajkot Vs. Narsibhai Karamsibhai Gajera & Ors., Dated: 02.12.2025, (MANU/SC/1610/2025; 2025 INSC 1374)*<br><br>The **Supreme Court** has held that manufacturers cannot claim central excise exemption for cotton fabrics if power is used at any stage of production, even across separate units, restoring the duty and penalty previously set aside by CESTAT. |

| Insolvency | |
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| **NCLAT: IBC auctions are not ordinary contracts, and market volatility does not excuse bid defaults** | *Deepika Bhugra Prasad Vs. Lucky Holdings Pvt. Ltd., Dated: 02.11.2025, (MANU/NL/1071/2025)*<br><br>The **NCLAT at New Delhi** held that a successful bidder in a liquidation e-auction cannot evade payment obligations by citing market fluctuations or unrelated delays, emphasizing acceptance of statutory terms, and set aside the NCLT Kolkata order directing refund of the Rs 2 crore earnest money deposit. |
| **NCLAT: Resolution Professional appointed as Liquidator, with limited scope for replacement under Section 34 IBC** | *Omkara Asset Reconstruction Private Limited Vs. Amit Vijay Karia, Dated: 01.12.2025, (MANU/NL/1089/2025)*<br><br>The **NCLAT New Delhi** clarified that under Sections 34(1) and 34(4)(c) of the Insolvency and Bankruptcy Code(IBC), the Adjudicating Authority can only replace the resolution professional (RP). The authority to replace the Resolution Professional lies with the Committee of Creditors (CoC) under Section 27 of IBC, with the Adjudicating Authority confirming the CoC's choice, subject to Board approval. |

| Arbitration | |
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| **Supreme Court: Agreed interest rate can't be challenged as excessive, arbitrator can't override contract terms** | *BPL Limited Vs. Morgan Securities and Credits Private Limited, Dated: 04.12.2025, (MANU/SC/1626/2025; 2025 INSC 1380)*<br><br>The **Supreme Court** has observed that "*Once the parties by mutual consent agreed to a particular rate of interest to be charged and the same is included in the terms of the contract there is no escape thereafter. The party concerned would be bound by the rate of interest as prescribed in the agreement. The rate of interest once agreed and forms part of a written contract between the parties the borrower after availing the finance cannot turn around and question the rate on the ground of being unconscionable or opposed to Public policy.*" |

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| **Calcutta High Court: Unilaterally Appointed Arbitrator Violates Natural Justice and Sets Aside the Award** | *Y D Transport Company And Another Vs. Srei Equipment Finance Limited, Dated: 02.12.2025, (MANU/WB/2628/2025; 2025:CHC-OS:236)*<br><br>The **Calcutta High Court** set aside an ex-parte arbitral award, holding that a sole arbitrator appointed unililaterally by one party violates the principles of natural justice and fatally undermines the arbitral process, rendering the resulting award null and void. |

| **Good and Services Tax** | |
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| **Supreme Court: GST exemption on residential lease applies even when lessee sub-leases for hostel/PG purposes** | *The State of Karnataka & Anr. Vs. Taghar Vasudeva Ambrish & Anr., Dated: 04.12.2025, (MANU/SC/1623/2025; 2025 INSC 1380)*<br><br>The **Supreme Court** affirmed that the GST exemption on renting residential properties remains valid even when the lessee sub-leases the premises for hostel or PG use. The Court observed that under GST Exemption Notification, the lessee is not required to personally reside in the property, as long as the use remains residential. |

## NEWS

| Civil | |
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| 04.12.2025 | The **Supreme Court** reassured the public that judges exercise great caution when it comes to using artificial intelligence (AI) and emphasized that they will not allow technology to take over judicial decision-making.<br><br>The **Calcutta High Court** observed that a writ petition cannot be filed in the High Court to stop personal insolvency proceedings under Section 95 of the Insolvency and Bankruptcy Code (IBC). |
| 03.12.2025 | The **Delhi High Court** issued a notice to the Bar Council of India (BCI), Bar Council of Delhi (BCD), Delhi High Court Bar Association (DHCBA), and the High Court in response to a petition challenging the "hereditary and family-based" allotment of lawyers' chambers.<br><br>The **High Court of Jammu & Kashmir and Ladakh** issued a notice to Ladakh UT on a petition by five Kargil councillors, challenging the Lieutenant Governor's decision to nominate a Muslim to a seat reserved for the district's "principal religious minority."<br><br>The **Kerala High Court** instructed the Cochin Devaswom Board (CDB) to avoid using security personnel dressed in inappropriate clothing, such as T-shirts with the 'bouncer' label, in and around temple premises. |
| 01.12.2025 | The **Delhi High Court** recently criticized a lawyer with 25+ years of experience appearing before the Court with red tape over his mouth, stating he had been "silenced" by the bench in previous hearings. |

| Criminal | |
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| 04.12.2025 | The **Supreme Court** expressed shock after an acid attack survivor revealed that her case, filed in 2009, is still pending in a Delhi trial court after 16 years. |
| 03.12.2025 | The **Kerala High Court** overturned a trial court's decision, allowing the Enforcement Directorate (ED) access to certified copies of the FIR and FIS in the *Sabarimala gold misappropriation* case. |

| Labour and Industrial | |
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| 03.12.2025 | The **Delhi High Court** asked the Central government to clarify its position on a petition concerning the non-constitution of tribunals under the Industrial Relations (IR) Code, 2020. |

| Insolvency | |
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| 04.12.2025 | The **NCLT Mumbai** has observed that uncrystallized contractual rights are not considered part of a corporate debtor's "assets" protected during a moratorium. |
| 03.12.2025 | The **NCLT Mumbai** approved ITM Edutech's second-motion petition, allowing the group to restructure its online education and training courses *via* a demerger into ITM Edutech (India) Ltd.<br><br>The **NCLT New Delhi** reinstated SL Contractors Private Limited in the Register of Companies to enable the Income Tax Department to recover Rs 7.26 crores in dues, rejecting the company's claim that it was operational when struck off.<br><br>The **NCLT Kolkata** has approved Vedanta Limited's Rs 545 crore resolution plan for reviving Incab Industries Limited. The tribunal ruled that once a plan meets the Insolvency and Bankruptcy Code's requirements, the Committee of Creditors' commercial decision must take precedence. |

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| **02.12.2025** | The **NCLT Mumbai** has observed that claims for liquidated or unliquidated damages, being contractual, cannot trigger insolvency proceedings. It dismissed Goodrich Logistics' CIRP plea against Transrail Lighting, stating such claims must be adjudicated by a civil court or arbitral tribunal, not the NCLT.<br><br>The **NCLT Ahmedabad** permitted a bankruptcy-bound personal guarantor to travel to the U.S., despite concerns over his conduct, citing leniency due to his minor children's immigration status tied to his U.S. Green Card. |

| **Goods and Services Tax** | |
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| **03.12.2025** | The Manipur Goods and Services Tax (Second Amendment) Bill, 2025 was successfully passed in the Lok Sabha on 1st December and in the Rajya Sabha on 2nd December. The amendment seeks to further streamline GST regulations in the state, addressing key issues, and ensuring better compliance. |

| **Excise** | |
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| **04.12.2025** | The Central Excise (Amendment) Bill, 2025 was passed in the Lok Sabha on 3rd December and in the Rajya Sabha on 4th December. The amendment aims to update and enhance the existing excise framework, with a focus on improving efficiency, compliance, and revenue generation. |

| **Defence** | |
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| **05.12.2025** | The Health Security Se National Security Cess Bill, 2025 was passed in the Lok Sabha on 1st December and in the Rajya Sabha on 5th December. The Bill introduces a new cess aimed at funding both national security initiatives and strengthening the health infrastructure across the country. |

## NOTIFICATION UPDATES

| Reserve Bank of India | |
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| **Circular No. A.P. (DIR Series) Circular No.17, 03.12.2025, MANU/APDR/0020/2025** | The Reserve Bank of India has decided that Authorised Dealer Category-II banks and Full-Fledged Money Changers must submit 'LRS daily returns' directly *via* the Centralised Information Management System starting January 2026. This change allows them to track cumulative remittances by individuals under the Liberalised Remittance Scheme and eliminates the need to report through Category-I banks. |
| **Press Release No. : 2025-2026/1605, Dated: 01.12.2025, MANU/RPRL/0822/2025** | The RBI Annual Report on the Ombudsman Scheme for 2024-2025 highlights the progress and effectiveness of the scheme in resolving customer complaints against financial institutions. It provides insights into the number and types of complaints, the efficiency of complaint resolutions, and efforts to improve the process through digital tools and increased awareness. The report emphasizes the RBI's commitment to enhancing customer satisfaction, ensuring transparency, and holding financial institutions accountable. Additionally, it discusses ongoing initiatives to expand access, particularly in rural areas, and outlines future steps to improve the scheme's reach and effectiveness. |
| **Notification No. : DOR.FIN.REC.No. 326/20.16.056/2025-2026, Dated:04.12.2025, MANU/RMIC/0390/2025** | The Reserve Bank of India (Credit Information Companies) Amendment Directions, 2025 issued on December 4, 2025, introduce key changes to enhance the functioning and regulatory framework of credit information companies (CICs). The directions focus on improving data accuracy, transparency, and consumer protection. CICs are now required to ensure stricter data validation processes and maintain updated credit information for borrowers. |
| **Notification No. : DOR.FIN.REC.No. 324/20.16.056/2025-2026, Dated:04.12.2025, MANU/RMIC/0410/2025** | The Reserve Bank of India (Non-Banking Financial Companies - Credit Information Reporting) Amendment Directions, 2025 update the regulatory framework for Non-Banking Financial Companies (NBFCs) in relation to credit information reporting. The amendment mandates that NBFCs submit more detailed and accurate credit data to credit information companies (CICs) to ensure better transparency and reliability in credit assessments. NBFCs are required to comply with stricter timelines for reporting, ensuring that data is updated regularly. |
| **Ministry of Finance** | |
| **Press Information Bureau, Dated: 02.12.2025, MANU/PIBU/1340/2025** | The RBI has issued guidelines for banks to enhance customer service by using regional languages, advising banks to provide trilingual materials, recruit local officers, and ensure staff proficiency in local languages. Public Sector Banks are encouraged to comply with these guidelines to improve communication and service delivery, particularly in rural and semi-urban areas. |
| **Securities and Exchange Board of India** | |
| **Notification No. : SEBI/LAD-NRO/GN/2025/280, Dated: 01.12.2025, MANU/SREG/0058/2025** | The SEBI (Foreign Venture Capital Investors) (Amendment) Regulations, 2025 simplify and enhance the regulatory framework for foreign venture capital investments in India. The amendments update investment guidelines, eligibility criteria, and reporting requirements, aiming to attract more international capital, improve transparency, and support the growth of India's venture capital ecosystem, particularly in startups and innovation-driven sectors. |

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| **Notification No. : SEBI/LAD-NRO/GN/2025/279, Dated: 01.12.2025, MANU/SREG/0057/2025** | The SEBI (Foreign Portfolio Investors) (Second Amendment) Regulations, 2025 simplify FPI registration, improve compliance and reporting requirements, and update investment limits and tax provisions. The amendments aim to enhance transparency, attract more foreign investments, and strengthen regulatory oversight in India's capital markets. |
| **Notification/ Circulars Referred: No. SEBI/LAD-NRO/GN/2021/40, Dated: 03.12.2025, MANU/SREG/0059/2025** | The SEBI (Share-Based Employee Benefits and Sweat Equity) (Second Amendment) Regulations, 2025 introduce key updates to enhance transparency and compliance in share-based compensation schemes. These changes include clearer eligibility criteria for employees, standardized valuation methods for stock options, and stricter rules on sweat equity issuance. Companies are required to provide more detailed disclosures in annual reports, including the impact on financials and potential dilution. The amendment also introduces more flexibility in vesting periods, especially startups, and strengthens regulatory oversight, including requiring shareholder approval for larger stock option issuances. The overall goal is to align with global practices while protecting shareholder interests and supporting startups in offering competitive employee benefits. |
| **Ministry of Corporate Affairs** | |
| **Notification No. : GSR880(E), 01.12.2025, MANU/DCAF/0043/2025** | The Companies (Specification of Definition Details) Amendment Rules, 2025, modifies the definition of a small company under the Companies Act, 2013, by setting the paid-up capital and turnover limits to not exceed ten crores and one hundred crores rupees, respectively. |
| **Ministry of Consumer Affairs, Food and Public Distribution** | |
| **Notification No. : GSR881(E), 02.12.2025, MANU/CAFF/0296/2025** | The Legal Metrology (Packaged Commodities) Second (Amendment) Rules, 2025, amends the 2011 rules to exclude pan masala from certain provisions. The amendment will take effect on February 1, 2026. |
| **Ministry of Communications** | |
| **Notification No. : SO5563(E), Dated: 03.12.2025, MANU/MCOM/0116/2025** | The **Telecom eServices Portal** has been launched to facilitate the **digital implementation of the Telecommunications Act, 2023**. The portal aims to streamline and simplify processes related to telecom services, including **licensing, registration, and compliance monitoring** for telecom operators. It provides a centralized platform for both service providers and consumers to manage and address various telecom-related matters. This initiative is part of the government's effort to enhance transparency, improve service delivery, and ensure better regulatory oversight in the telecommunications sector. The portal also aims to reduce paperwork and improve efficiency in line with the Act's objectives. |
| **Press Information Bureau, Dated: 01.12.2025, MANU/PIBU/1333/2025** | The Department of Telecommunications (DoT) has mandated SIM binding for app-based communication services to prevent misuse of telecommunication identifiers and enhance cyber security. This includes ensuring apps are continuously linked to the SIM card and enforcing periodic logout for web services to prevent remote misuse. These measures aim to counter cyber frauds and scams by ensuring traceability and security in the telecom ecosystem. |

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| **Press Information Bureau, Dated: 01.12.2025, MANU/PIBU/1331/2025** | The Department of Posts is seeking public comments on proposed amendments to the Post Office Act, 2023, aimed at establishing a digital addressing system called DHRUVA. This initiative focuses on creating a modern, secure, and interoperable digital addressing ecosystem in India, enhancing service delivery and governance. |

| **PIB Headquarters** | |
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| **Press Information Bureau, Dated: 03.12.2025, MANU/PIBU/1351/2025** | The new Labour Codes in India provide enhanced security and protection for bidi and cigar workers by formalizing the sector and introducing comprehensive reforms. These include improved wage protection, expanded social security, safer working conditions, and measures against gender discrimination, ensuring a more stable and dignified livelihood for workers. |

# INTERNATIONAL UPDATES

## AUSTRALIA

### Capital Market

**ASIC enforcement priorities for 2026: new focus areas and stronger litigation push**

ASIC's 2026 agenda keeps its long term focus on protecting small businesses, superannuation fund members and market integrity, but now adds specific emphasis on misleading pricing, private credit risks, insurance related complaints and financial reporting. Deputy Chair Sarah Court has highlighted that, over the past year, ASIC has almost doubled both new investigations and new court proceedings and has actively sought more criminal prosecutions. Recent outcomes against well known brands, including agreed penalties of about Australian Dollar 240 million for Australia and New Zealand Banking Group Limited and an Australian Dollar 85 million penalty claim against Harvey Norman, show a clear willingness to pursue large institutions.

### Mergers and Acquisitions

**Mandatory merger notification regime to reshape deal making from 1 January 2026**

From 1 January 2026, Australia's new merger regime will require mandatory and suspensory notification to the Australian Competition and Consumer Commission for a wider range of transactions linked to Australia. The notification thresholds are relatively low and can apply even where the buyer and seller do not compete, with a three year look back that captures serial acquisitions. Parties will need to invest significant effort at the front end to meet detailed information requirements, which are more prescriptive than under the current informal process. Although there are fixed decision timelines, these can be paused or extended, so deal timetables must allow for regulatory uncertainty.

### Employment and Labour

**Victoria moves to limit non disclosure agreements in workplace sexual harassment cases**

The Restricting Non Disclosure Agreements (Sexual Harassment at Work) Bill 2025 (Victoria) is aimed at changing how confidentiality clauses are used when workplace sexual harassment complaints are resolved. Drawing on the Ministerial Taskforce's findings, the Bill reflects concern that non disclosure agreements can silence victims, hide the identity of alleged perpetrators and shield employer reputations instead of promoting cultural change. It introduces the concept of "workplace non disclosure agreements," which includes clauses that restrict disclosure of a respondent's identity or details of alleged harassment, and sets out when such provisions will be prohibited or unenforceable. At the same time, it preserves the ability of complainants to speak to regulators, medical professionals, advisers and trusted support networks, subject to defined conditions. The reforms are forward looking, scheduled to commence after 1 November 2026 without affecting existing settlements.

### Information Technology and Data Protection

**Key risks when drafting artificial intelligence warranties in transactions**

As artificial intelligence tools become woven into everyday operations, buyers and sellers are increasingly negotiating specific artificial intelligence warranties and indemnities in mergers and acquisitions and commercial contracts. A central difficulty is choosing an accurate definition of "artificial intelligence," which can cover generative artificial intelligence, machine learning, natural language processing or computer vision technologies. If the drafting is too broad, sellers may unintentionally accept responsibility for systems they did not assess, while narrow wording may leave buyers exposed on key risks.

## Information Technology and Data Protection

**Australia's National Artificial Intelligence Plan focuses on investment and regulatory uplift**

Australia's National Artificial Intelligence Plan sets out a policy direction that favours adapting existing laws rather than creating a single Artificial Intelligence Act, with particular attention on high risk applications. The Plan is built around twin themes of opportunity and safeguards, encouraging investment in data centres, skills and commercialisation while signalling that regulators will expect stronger governance of artificial intelligence systems. Organisations are told to anticipate higher standards on transparency, testing, oversight and workforce capability even before targeted legal changes are made. The Plan ties together a year of guidance and technical papers from multiple agencies and is intended to give boards and executives a clearer framework for artificial intelligence strategy and risk management.

# CANADA

## Capital Market

**CSA proposes pilot to allow eligible venture issuers to report on a semi annual basis**

The Canadian Securities Administrators have proposed Coordinated Blanket Order 51 933 to launch a Semi Annual Reporting Pilot that would let qualifying venture issuers replace quarterly reporting with twice yearly financial statements and related management discussion and analysis. The initiative responds to feedback that quarterly reporting, while valuable for transparency, can place disproportionate burdens on smaller issuers. Participation in the pilot would be voluntary and conditional on meeting eligibility criteria designed to protect investors. Because Ontario Securities Commission blanket orders expire after a set period, Ontario is proposing Ontario Securities Commission Rule 51 507 to mirror the national regime and preserve long term access to the pilot in that province. Both the Blanket Order and Ontario Securities Commission Rule 51 507 are out for a 60 day comment period ending on 22 December 2025, with the pilot expected to begin around March 2026. If successful, the project may influence future reforms to continuous disclosure requirements for venture issuers.

**Supreme Court of Canada clarifies meaning of material change in securities law**

In *Lundin Mining Corporation et al. v Dov Markowich*, the Supreme Court of Canada examined the definition of "material change" under the Securities Act of Ontario and similar legislation across Canada. The Court held that whether there has been a change in an issuer's "business, operations or capital" should be assessed using ordinary language, and that the change does not need to be momentous at this first stage. Materiality is addressed at the second stage and focuses on whether the change would reasonably be expected to have a significant effect on the market price or value of the securities. This approach may broaden the set of events that issuers must consider for timely disclosure, although materiality continues to limit what must be reported. The decision also clarified the test for granting leave under section 138.8 of the Securities Act, confirming that the same interpretive principles apply at the leave stage as at trial.

## Company and Commercial

**Section 149 of the Ontario Business Corporations Act as a strategic tool for minority shareholders**

Section 149 of the Ontario Business Corporations Act requires corporations to appoint an auditor unless all shareholders of a non offering corporation waive that right unanimously in writing. In closely held companies, this provision can be an important early step for minority shareholders who suspect governance or financial issues but lack access to records. By insisting that the corporation comply with section 149, a minority shareholder can force the appointment of an auditor and the preparation of audited financial statements, which places cost and scrutiny on the controlling group. This can occur well before oppression proceedings are started under section 248 of the Ontario Business Corporations Act and may reveal irregularities that shape later litigation or settlement. Even where a full forensic review is needed later, using section 149 can change the dynamic by requiring the majority to either regularise reporting or explain its failure to do so in court. It is therefore a practical, underused leverage point in shareholder disputes.

## CHINA

### Competition and Antitrust

**Amended Anti Unfair Competition Law targets data crawling and e commerce manipulation**

The 2025 amendments to China's Anti Unfair Competition Law add a specific prohibition on "illegal data crawling," defined in Article 13 as obtaining or using data held by another business operator through improper means such as fraud, intimidation or bypassing technical measures, where this harms the data holder and disrupts competition. Regulators and courts will assess not only the technical method used but also whether the conduct has damaged operations or been used to effectively replace the victim's business. Article 13 also addresses e commerce abuses, including fabricated user comments, sham orders that are later cancelled to inflate sales figures and manipulative use of refund and return policies. These rules are particularly relevant given the size and influence of major e commerce platforms, where such practices can significantly distort consumer perception and competitive conditions.

### Regulation

**China approves wider use of three substances in food contact plastics with conditions**

China's National Health Commission has cleared expanded uses of three substances in food contact plastics, subject to strict limits and labelling requirements. Barium sulfate, identified by Chemical Abstracts Service Number 7727 43 7, can now be used in polylactide plastics at up to 30 percent, provided it meets colourant purity criteria in standard GB 9685 2016 and specific migration limits for barium, and is not used in products for infants and young children. Talc, identified by Chemical Abstracts Service Number 14807 96 6, may be used at up to 25 percent in polyhydroxyalkanoate plastics, must comply with GB 1886.246 and is similarly restricted from infant focused applications, although it is permitted for long term room temperature storage after various filling and heat treatment processes.

## HONG KONG

### Capital Market

**Court of Final Appeal clarifies connected transactions and directors' disclosure duties**

The Hong Kong Court of Final Appeal has issued a significant judgment on how "connected transactions" under the Listing Rules should be understood, endorsing a substance over form approach. In the case, a listed company issued bonds through a placing agent, while a sub placing agent that was a connected person of the issuer performed the actual work and received most of the commission, with the sub placing arrangements concealed from disclosure. The Court held that a series of steps can be treated as a single connected transaction where they form part of one overall scheme, even if structured to appear compliant when viewed piece by piece. Executives involved were convicted of conspiracy to defraud, showing that non disclosure of conflicts can have criminal as well as regulatory consequences.

### Company and Commercial

**Director held personally liable for costs arising from abusive appeal in winding up case**

In *Target Insurance Company Limited v Nerico Brothers Limited and Lee Cheuk Fung Jerff* (2025) Hong Kong Court of Appeal 1024, the Court of Appeal confirmed that a director can be ordered to pay legal costs personally where a company pursues an appeal in an abusive way. After a winding up order was made against Nerico Brothers Limited over a debt exceeding United States Dollar 154 million, the company, acting under the direction of its sole director Mr Lee, lodged an appeal that contradicted its earlier admissions of liability. The appeal was struck out as frivolous and an abuse of process, and the petitioner then applied for a non party costs order against Mr Lee. The Court found that he had caused the company to pursue a hopeless appeal that was contrary to creditors' interests, justifying personal liability for costs related to the appeal, the strike out application and the non party costs application.

## MALAYSIA

### Arbitration And Alternative Dispute Resolution

**Federal Court confirms dual routes to enforce foreign arbitral awards in Malaysia**

In *ING Bank N.V. v Tumpuan Megah Development Sendirian Berhad*, the Federal Court of Malaysia resolved uncertainty about how foreign arbitral awards can be enforced domestically. The award creditor had obtained a London Maritime Arbitrators Association award, then a judgment from the High Court of England and Wales under section 66 of the United Kingdom Arbitration Act 1996, and sought to register that judgment in Malaysia under the Reciprocal Enforcement of Judgments Act 1958. The respondent argued that enforcement must proceed under the Malaysian Arbitration Act 2005 instead and raised allegations of fraud and jurisdictional defects. While the Court of Appeal accepted that position and opened the door to a trial on those issues, the Federal Court reinstated the High Court's decision and held that both the Reciprocal Enforcement of Judgments Act 1958 and the Malaysian Arbitration Act 2005 provide valid, alternative enforcement routes. This gives award creditors flexibility to choose the path that best suits their circumstances, while still allowing respondents to rely on the safeguards built into each statute.

### Information Technology And Data Protection

**Overview of Malaysia's emerging artificial intelligence law landscape**

Malaysia is aggressively pursuing digital transformation through the myDIGITAL initiative and the Malaysia Digital Economy Blueprint, which aim to build a technology driven, high income economy by 2030. Favourable policies have attracted major technology companies that are investing heavily in data centres and cloud infrastructure, creating fertile ground for artificial intelligence adoption. To guide this growth, the Government has established the National Artificial Intelligence Office, which is tasked with accelerating artificial intelligence use while safeguarding ethical and social considerations. Early work includes designing an Artificial Intelligence Technology Action Plan for 2026 to 2030, an Artificial Intelligence Adoption Regulatory Framework and an Artificial Intelligence Code of Ethics.

**Malaysia prepares comprehensive artificial intelligence governance bill and related reforms**

Malaysia's Digital Minister has indicated that the first Artificial Intelligence Governance Bill is nearing completion and will form a central pillar of the country's artificial intelligence regulatory framework. The Bill is being developed by the National Artificial Intelligence Office and is expected to adopt a risk based approach that addresses artificial intelligence related harm, incident reporting obligations and ethical principles in a single instrument. It will sit alongside a broader programme of legal updates, including amendments to the Personal Data Protection Act 2010, implementation of the Cyber Security Act 2024 and Online Safety Act 2025, revisions to the Evidence Act 1950 and Contracts Act 1950 and a new Cybercrime Bill to replace the Computer Crimes Act 1997. Together, these measures are designed to strengthen the legal foundation for a safe and trustworthy artificial intelligence ecosystem that still encourages innovation.

## SINGAPORE

### Arbitration and Alternative Dispute Resolution

**SIAC launches restructuring and insolvency arbitration protocol to address cross over issues**

The Singapore International Arbitration Centre's Restructuring and Insolvency Arbitration Protocol provides a specialised framework for disputes that arise in the context of restructurings, debt adjustments or insolvency. It is intended to manage the tension between party autonomy in choosing arbitration and the collective interests of creditors in insolvency proceedings. The Protocol modifies the standard Singapore International Arbitration Centre Rules to create faster procedures, including shorter deadlines for responses, quicker tribunal appointments and a default requirement that final awards be issued within six months of tribunal constitution.

## TAIWAN

### Trademark

**YORKSHIRE TEA decision refines test for acquired distinctiveness of geographical marks**

The Intellectual Property and Commercial Court's decision in the "YORKSHIRE TEA" invalidation case (2024 Shing Shang Su Zi Number 40) offers detailed guidance on how trademarks containing geographic names can acquire distinctiveness through use. Under Article 30 paragraph 1 sub paragraph 8 of the Trademark Act, marks may be refused if they misdescribe origin, and under Article 29 paragraph 1, purely descriptive geographic terms are generally seen as non distinctive. However, Article 29 paragraph 2 allows registration where consumers have come to recognise the sign as indicating a single source after long term use.

## UK

### Capital Market

**Financial Conduct Authority abolishes non equity systematic internaliser regime and eases trading rules**

The Financial Conduct Authority's Policy Statement 25 17 confirms the removal of the systematic internaliser regime for bonds, derivatives, structured finance products and emission allowances, following earlier reforms that stripped away pre trade transparency obligations in those markets. Firms dealing in those instruments will no longer be classified as systematic internalisers, although the regime continues to apply to equity instruments. The Financial Conduct Authority is also lifting the long standing restriction on multilateral trading facility operators engaging in matched principal trading where they have the necessary permissions, giving them greater flexibility in how they structure their trading models.

## USA

### Banking

**Federal regulators propose lower leverage ratio for community banks to boost lending**

The Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation have jointly proposed lowering the community bank leverage ratio from more than nine percent to more than eight percent. This simplified measure, defined as tier 1 capital divided by average total consolidated assets, allows qualifying community banks to satisfy capital requirements without the complexity of risk weighted frameworks. Reducing the threshold to the statutory minimum is expected to release balance sheet capacity and could support around United States Dollar 64 billion in additional lending to households and businesses.

### Capital Markets

**FINRA sanctions firm for extensive trade reporting and confirmation failures**

The Financial Industry Regulatory Authority has issued a censure and a United States Dollar 125,000 fine to a firm that committed multiple violations involving bond trade reporting, customer confirmations and supervisory systems. After changing its booking model from principal to agency trading, the firm continued to report thousands of corporate debt and United States Treasury trades to the Trade Reporting and Compliance Engine as principal transactions for more than five years. It also failed to report thousands of additional trades with a non member affiliate due to human error. A separate coding issue caused nearly 12,000 confirmations for institutional fixed income customers to omit the security price, an essential disclosure term. The firm had no effective process to review confirmations for accuracy or completeness, and its written supervisory procedures did not address these risks adequately. The conduct breached Financial Industry Regulatory Authority Rules 2010, 2232, 3110 and 6730, as well as United States Securities and Exchange Commission Exchange Act Rule 10b 10, underscoring the need for robust post trade controls and regular system testing.

## Regulation

**Industry group urges Securities and Exchange Commission to relax principal trading consent rules**

The Securities Industry and Financial Markets Association has written to the United States Securities and Exchange Commission urging a more flexible interpretation of section 206(3) of the Investment Advisers Act of 1940, which governs principal transactions between advisers and their clients. Currently, advisers must obtain transaction specific written disclosure and consent before engaging in principal trades, a requirement that the association says is difficult to satisfy in fast moving electronic markets. It argues that principal trading can benefit clients by improving liquidity, enabling more efficient portfolio rebalancing and expanding access to fixed income products, and that existing fiduciary duties and Regulation Best Interest already provide strong protections against abuse

## White Collar Crime

**Department of Justice enters first Foreign Corrupt Practices Act deferred prosecution agreement under new guidelines**

The United States Department of Justice has agreed a deferred prosecution agreement with Comunicaciones Celulares Sociedad Anónima, doing business as TIGO Guatemala, marking the first Foreign Corrupt Practices Act resolution since an executive order led to a pause in enforcement earlier in 2025. The case concerns allegations that company executives and shareholders made regular payments to Guatemalan legislators and officials between 2012 and June 2018 in exchange for favourable laws and regulatory treatment. The resolution applies the June 2025 Guidelines for Investigations and Enforcement of the Foreign Corrupt Practices Act, which list factors prosecutors should weigh, including the use of money launderers or shell companies tied to transnational criminal organisations.

## Environment and Climate Change

**New York proposes expanded green remediation policy with implications for renewable projects**

New York State's Department of Environmental Conservation, through its Division of Environmental Remediation, has proposed revisions to its Green and Sustainable Remediation Policy DER 31 to reflect climate objectives in the Climate Leadership and Community Protection Act of 2019. The updated guidance would require project proponents at regulated remediation sites to evaluate greenhouse gas emissions over a 30 year site management period, including upstream impacts such as material production and energy use. Greenhouse gas metrics would need to be reported in submissions to the Department of Environmental Conservation, and decision makers would be expected to factor emissions into the choice among remedial alternatives. In some cases, additional mitigation would be required to bring emissions into line with the lowest emitting remedial option other than doing nothing.

IN NEWS

# SC: Filming Woman Entering Property Not Voyeurism Under Section 354C IPC

In ***Tuhin Kumar Biswas v. State of West Bengal*** **(MANU/SC/1612/2025)** the Supreme Court held that recording or taking photos of a woman without consent, when she is not engaged in a private act, does not amount to voyeurism under Section 354C of the Indian Penal Code, 1860. The allegation against the accused was that he filmed a woman entering a disputed residential property at Salt Lake, Kolkata, during a long-standing family property dispute.

A Bench of Justice NK Singh and Justice Manmohan noted that Section 354C applies only when a woman is watched or recorded during a private act such as undressing, using a bathroom, or performing a sexual act, in circumstances where she has a reasonable expectation of privacy. As no such allegation existed, the ingredients of voyeurism were not made out. The Court also pointed out that the Calcutta High Court itself had recognised this, yet still refused to discharge the accused, which the Supreme Court found untenable.

The Court further held that the charge of criminal intimidation under Section 506 of the Indian Penal Code, 1860 was unsupported, as there was no specific allegation of threat to person, property or reputation. On wrongful restraint under Section 341, the material showed only that the complainant had come as a prospective tenant, and any induction of a tenant would have been contrary to a subsisting civil court injunction directing the parties not to create third-party rights. The accused's conduct was therefore viewed as based on a bona fide belief that he was enforcing that injunction.

Observing that the FIR arose entirely from a family civil dispute, the Court said such issues are better addressed through civil remedies rather than criminal prosecution. It cautioned police and trial courts against pushing cases to trial without strong suspicion, as routine filing of chargesheets in such matters burdens the criminal justice system and diverts resources from serious offences. The appeal was allowed and the accused was discharged of all charges.

# SC: High Court Cannot Reopen Arbitrator Appointment Under Section 11 Once Final

In ***Hindustan Construction Company Ltd. v. Bihar Rajya Pul Nirman Nigam Ltd., (MANU/SC/1604/2025)*** the Supreme Court set aside a Patna High Court order that had effectively undone its own earlier appointment of an arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996. The dispute arose from a 2014 contract for construction of a bridge over the River Sone, governed by an arbitration clause in Clause 25 of the agreement.

A Bench of Justice JB Pardiwala and Justice R Mahadevan recorded that the Patna High Court had first appointed an arbitrator for disputes under the original contract period, and later appointed Justice Shivaji Pandey (Retd.) as sole arbitrator in a second reference relating to claims from the extended period. The second arbitration progressed substantially: pleadings were complete, more than seventy hearings were held and the mandate was repeatedly extended under Section 29A of the Arbitration and Conciliation Act, 1996 on joint applications.

After fully participating in the proceedings, the respondent sought review of the Section 11 order based on a later judgment of the same High Court. The Supreme Court held that once an order under Section 11 has attained finality, the High Court becomes *functus officio*. The only permissible courses were to approach the Supreme Court under Article 136 of the Constitution of India or to raise jurisdictional objections before the arbitral tribunal under Section 16 of the 1996 Act. A review petition could not be used to reopen the appointment or convert the process into an appeal in disguise.

The Court also noted that the arbitration clause had been acted upon earlier between the same parties and admitted in pleadings, and that a valid arbitration agreement was evident from conduct under Section 7(4)(c) of the 1996 Act. Having invoked the clause and participated in the proceedings, the respondents could not later challenge its validity.

Holding that the High Court had no jurisdiction to recall its Section 11 order, the Supreme Court directed that the matter be dealt with under Section 15(1) and 15(2) of the Arbitration and Conciliation Act, 1996 by appointing a substitute arbitrator to continue from the stage already reached. The Court also issued a stern warning to the then Managing Director of the State-owned respondent, reminding public officers of their responsibility as custodians of public faith.

# SC: Divorced Muslim Woman Can Recover Parental Gifts Under Section 3 of 1986 Act

In ***Rousanara Begum v. SK Salahuddin & Anr., (MANU/SC/1611/2025)*** the Supreme Court held that a divorced Muslim woman is entitled under Section 3(1) of the Muslim Women (Protection of Rights on Divorce) Act, 1986 to recover from her former husband cash, gold and other gifts given by her parents at the time of marriage. The decision came in an appeal against a Calcutta High Court judgment which had rejected her claim.

The parties were married in 2005. The woman left the matrimonial home in 2009, later initiated proceedings under Section 125 of the Code of Criminal Procedure, 1973 and lodged a complaint under Section 498A of the Indian Penal Code, 1860. After the divorce in 2011, she moved a claim under Section 3 of the 1986 Act seeking return of cash, 30 bhories of gold and household items said to be worth about ₹17.67 lakh. A trial court and, on remand, an Additional Judicial Magistrate held her entitled to ₹8 lakh and 30 bhories of gold, noting that ₹1 lakh towards mehr had already been paid and the balance of ₹7 lakh remained due.

The High Court reversed this by relying heavily on an earlier statement by the woman's father in the Section 498A proceedings, where he had said that he gave the gifts to his son-in-law. The Supreme Court found this approach flawed, particularly because the criminal case ended in acquittal and the marriage registrar had deposed that the gifts were given without specifying a particular recipient.

The Bench of Justice Sanjay Karol and Justice N Kotiswar Singh stressed that the Muslim Women (Protection of Rights on Divorce) Act, 1986 is aimed at securing the dignity, equality and financial protection of divorced Muslim women, in line with Article 21 of the Constitution of India. Section 3(1) expressly provides that a divorced Muslim woman is entitled to: reasonable and fair provision and maintenance during the *iddat* period, provision for children in her care, the *mehr* agreed at the time of marriage, and return of all properties given to her before, during or after marriage by her relatives, friends or husband.

Reading the provision in light of its purpose, the Court restored the magistrate's order and held that the woman was entitled to ₹7 lakh and 30 bhories of gold from her former husband.