Manupatra Weekly Wrap

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CASE LAWS

Arbitration	
Delhi High Court: Arbitrator cannot void admitted retirement deed without proof of fabrication	*Shri Brajendra Khandelwal vs. M/s Rajendra Iron Mart & Ors., Dated: 22.12.2025 (MANU/DE/0514/2025;2025:DHC:11693-DB)* The **Delhi High Court** has dismissed an appeal under Section 37 of the Arbitration and Conciliation Act, upholding a Single Judge's order that set aside an arbitral award declaring a partner's retirement deed null and void. The Division Bench held that, since the signatures on the deed were admitted, the arbitral tribunal could not invalidate it without a clear finding of fabrication or manipulation.

Constitution	
Bombay High Court: Denial of permanent status to HIV-positive staff violates Articles 14 & 16 of Constitution	*Kumar Dashrath Kamble vs. Bombay Hospital, Dated: 23.12.2025 (MANU/MH/9086/2025;2025:BHC-OS:26168)* The **Bombay High Court** ruled that refusing permanency to an employee solely for being HIV positive is arbitrary, discriminatory, and violates Articles 14 and 16 of the Constitution. The Court noted that if the employee performs the same duties as colleagues without difficulty, their HIV status cannot justify denial of permanency while demanding the same work for lower pay. Such treatment constitutes hostile discrimination and contravenes constitutional principles of equality and dignity.

Criminal	
Delhi High Court: Life term of Kuldeep Sengar suspended as POCSO section 5(c) not established	*Kuldeep Singh Sengar vs. Central Bureau of Investigation, Dated: 23.12.2025 (MANU/DE/1192/2025;2025:DHC:11786-DB)* The **Delhi High Court** has stayed the life sentence of expelled BJP leader Kuldeep Singh Sengar, who was convicted in the *Unnao rape* case. The division bench observed

	that the offence under Section 5(c) of the POCSO Act was not made out and, at the prima facie stage, did not amount to aggravated penetrative sexual assault.
Delhi High Court: Charge-framing orders are interlocutory and cannot be contested via appeal under NIA Act section 21	*Shahid Yousuf vs. National Investigation Agency, Dated: 23.12.2025 (MANU/DE/1196/2025;2025:DHC:11786-DB)* The **Delhi High Court** held that an order framing charges against an accused is interlocutory in nature and cannot be challenged through an appeal under Section 21 of the National Investigation Agency (NIA) Act. The bench noted that the term "order" under Section 21(1) refers specifically to a final order, not an interlocutory or intermediate one.

Direct taxation	
Delhi High Court: Authorities not bound by 120-day timeline in section 132B IT Act to decide seized asset plea	*Rajesh Gupta & Ors. vs. Assistant Commissioner of Income Tax, Central Circle 31, Delhi & Ors., Dated: 23.12.2025 (MANU/DE/1482/2025;2025:DHC:11753-DB)* The **Delhi High Court** has ruled that the 120-day timeline under the second proviso to Section 132B(1)(i) of the Income Tax Act for deciding an assessee's plea to release seized assets is not mandatory. The Court noted that any decision taken after this period does not automatically become invalid.

Indirect taxation	
Jammu & Kashmir and Ladakh High Court: Once a GST appeal is submitted through the online portal, there is no compulsory requirement to submit a physical or certified copy of the impugned order.	*TC Tours Limited vs. Union Territory of Jammu & Kashmir & Ors., Dated: 24.12.2025 (MANU/JK/0949/2025)* The **Jammu & Kashmir and Ladakh High Court** ruled that where a GST appeal is filed electronically within the prescribed limitation period along with the uploaded copy of the order, there is no obligation to submit a physical or certified copy.

NEWS

Civil	
27.12.2025	A three-judge bench of the **Supreme Court** is set to hear on December 29 the Central Bureau of Investigation's appeal against the Delhi High Court's decision to suspend the life sentence of former Uttar Pradesh MLA Kuldeep Singh Sengar in POCSO matter.
24.12.2025	**Supreme Court** Bar Association condemns Bihar CM Nitish Kumar for allegedly forcibly removing woman doctor's hijab at Patna ceremony, calling it assault on dignity and constitutional rights.
23.12.2025	The **Bombay High Court** has instructed fugitive businessman Vijay Mallya to submit an affidavit specifying his intended date of return to India, before proceeding with the hearing of his petition challenging the constitutional validity of the Fugitive Economic Offenders (FEO) Act, 2018. The **Madhya Pradesh High Court** recently ordered the Indore Municipal Corporation to launch a "top priority" special drive to remove stray dogs from key public areas in Indore, with a particular focus on popular tourist destinations like Chhappan Dukan and Sarafa.
22.12.2025	The **Bombay High Court** questioned the Brihanmumbai Municipal Corporation (BMC) and the Maharashtra Pollution Control Board (MPCB) about whether the site designated for its new court building in Bandra East features in a report submitted by a court-appointed committee that inspected locations across Mumbai with poor Air Quality Index (AQI) levels.

Media and Entertainment	
23.12.2025	IndiaMART, India's largest B2B online marketplace, has approached the **Delhi High Court** challenging the Telecom Regulatory Authority of India's (TRAI) 2025 regulations on Unsolicited Commercial Communication (UCC), which targets spam calls and messages. The company disputes Regulation 25 of the Telecom Commercial Communications Customer Preference Regulations, arguing that it unfairly applies to B2B communications. The regulation, which is enforced through a complaint-driven system by telecom providers like Airtel and Jio, allows service providers to monitor and blacklist companies for sending unsolicited communications.

Good and Services Tax	
26.12.2025	The Central government informed the **Delhi High Court** that a 'Pandora's Box' situation could arise if the court directs the GST Council to lower the goods and services tax (GST) on air purifiers without following the proper process. The remark came during a hearing of a plea seeking to classify air purifiers as 'medical devices' and reduce their GST rate from 18% to 5%.

Intellectual Property Rights	
24.12.2025	Copyright society Phonographic Performance Limited (PPL) has approached the **Bombay High Court** against comedian Kapil Sharma's production entities over alleged copyright violations in his Netflix show 'The Great Indian Kapil Show'. The suit, filed by sound recording owners, targets K-9 Films, BeingU Studios, Kapil Sharma, and other show directors for using sound recordings as background music during live recordings without obtaining the necessary license.

Environment	
22.12.2025	The **Supreme Court** reprimanded Uttarakhand authorities for remaining 'silent spectators' as private entities illegally encroached upon forest land. The bench directed the state's Chief Secretary and Principal Chief Conservator of Forests to form an Enquiry Committee and file a report. The case reveals systematic grabbing of thousands of acres of forest land by private individuals, the court noted.

NOTIFICATION UPDATES

Securities and Exchange Board of India	
Circular No. : HO/38/11/11(3)2025-MIRSD-POD/I/1101/2025, Dated: 24.12.2025, MANU/SDEP/0002/2025	The Securities and Exchange Board of India (SEBI) has introduced measures to enhance the 'Facility for Basic Services Demat Account (BSDA)' to facilitate ease of investments and doing business. Key changes include excluding certain securities from BSDA threshold calculations, quarterly reassessment of BSDA eligibility, and requiring active consent for regular demat accounts. These provisions aim to boost investor participation and will be effective from March 31, 2026.
Circular No. : HO/38/13/11(3)2025-MIRSD-POD/I/1102/2025, Dated: 24.12.2025, MANU/SMIS/0095/2025	The Securities and Exchange Board of India (SEBI) has simplified the procedure for issuing duplicate securities certificates to enhance investment ease. The threshold for simplified documentation has been increased to Rs. Ten Lakhs, and standardized formats for affidavits and indemnity bonds have been introduced. These changes aim to facilitate investor rights and promote dematerialization of securities.

Insolvency and Bankruptcy Board of India	
Notification No. : IBBI/2025-26/GN/REG133, Dated: 23.12.2025, MANU/NMIC/0328/2025	The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Seventh Amendment) Regulations, 2025 introduce key changes to the insolvency resolution process for corporate entities. The amendments aim to streamline and improve the resolution framework, ensuring quicker and more effective outcomes. They include provisions for faster timelines in the resolution process, adjustments to the voting mechanism for creditors, and new guidelines for the appointment of resolution professionals. Additionally, the regulations enhance transparency, reduce the scope for delays, and ensure better protection for stakeholders involved in corporate insolvency proceedings. These changes are designed to support the overall goal of timely and efficient corporate restructuring, aligned with global best practices.

Reserve Bank of India	
Circular No. : CO.DPSS.RLPD.No.S1039/04-07-001/2025-2026 RBI/2025-2026/156, Dated: 24.12.2025 , MANU/RMIC/0441/2025	The Reserve Bank of India has postponed the implementation of Phase 2 of the Continuous Clearing and Settlement on Realisation in the Cheque Truncation System to allow banks more time to streamline operations. The presentation and confirmation session timings have been modified.

Ministry of Ports, Shipping and Waterways	
Notification No. : GSR915(E), Dated: 23.12.2025, MANU/SHIP/0026/2025	The Recycling of Ships (Amendment) Rules, 2025 update India's existing regulations on the environmentally sound management and disposal of ships. These amendments focus on enhancing safety, worker protection, and minimizing environmental damage during ship recycling. The rules enforce stricter standards for ship dismantling yards, including improved waste management protocols and hazardous materials handling. Additionally, the new

	rules align more closely with international conventions, such as the Hong Kong Convention for the safe and environmentally sound recycling of ships, ensuring that India's ship recycling industry meets global sustainability and safety standards.
PIB Headquarters	
Press Information Bureau, Dated: 23.12.2025, MANU/PIBU/1485/2025	National Consumer Day in India, observed on December 24, emphasizes consumer rights and protection, with the 2025 theme focusing on "Efficient and Speedy Disposal through Digital Justice." The Consumer Protection Act, 2019, and initiatives like e-Jagriti and the upgraded National Consumer Helpline enhance digital grievance redressal, promoting transparency and efficiency. These efforts, alongside reforms in quality assurance and standardization, aim to create a consumer-centric ecosystem.
Ministry of Social Justice & Empowerment	
Notification No. : GSR913(E), Dated: 22.12.2025, MANU/SJEM/0007/2025	The Rights of Persons with Disabilities (Amendment) Rules on Non-Negotiable Accessibility Standards in Buildings and Built Environment, 2025 (Draft) aim to enhance accessibility for people with disabilities by setting mandatory, non-negotiable standards for buildings and public infrastructure. These rules require that all new constructions and major renovations meet specific accessibility guidelines, including ramps, elevators, wider doorways, and accessible toilets. The draft emphasizes inclusive design, ensuring that public spaces, transport systems, and services are usable by everyone, regardless of disability. It also lays out a framework for monitoring compliance and mandates penalties for non-compliance to ensure equal access for all.
Ministry of Statistics & Programme Implementation	
Press Information Bureau, Dated: 24.12.2025, MANU/PIBU/1496/2025	The draft Indian Statistical Institute Bill, 2025 aims to elevate ISI's status to a statutory body, enhancing its governance, autonomy, and accountability, aligning it with other Institutions of National Importance like IITs and IIMs. The Bill seeks to modernize ISI's framework, expand its academic scope, and strengthen its global competitiveness. Public consultations have been conducted to refine the draft, and FAQs have been released to clarify its provisions amidst misinformation.
Ministry of Coal	
Notification No. G.S.R 546(E), Dated: 24.12.2025, MANU/COAL/0026/2025	The Colliery Control (Amendment) Rules, 2025, amends the Colliery Control Rules, 2004, requiring colliery owners to obtain prior approval from the company's Board or the Coal Controller Organisation before opening a coal mine or seam. It also mandates compliance with permissions from relevant government bodies and applies to mines where operations have been discontinued for 180 days or more.
Ministry of Law and Justice	
Press Information Bureau, Dated: 25.12.2025, MANU/PIBU/1491/2025	The Constitution of India has been translated into the Santhali language and was released by the President of India on Good Governance Day. This marks the

	first publication of the Constitution in Santhali, a language spoken by tribal communities in several Indian states.

Ministry of Environment, Forest and Climate Change	
Press Information Bureau, Dated: 24.12.2025, MANU/PIBU/1497/2025	The Centre has announced a complete ban on new mining leases in the Aravalli Range to protect it from illegal mining, with plans to expand the protected zone. The Indian Council of Forestry Research and Education will identify additional areas for mining prohibition, and a comprehensive management plan will be developed to ensure sustainable mining practices and environmental protection.

Ministry of Consumer Affairs, Food & Public Distribution	
Press Information Bureau, Dated: 25.12.2025, MANU/PIBU/1499/2025	The Central Consumer Protection Authority fined Vision IAS INR. 11 lakh for misleading advertisements about UPSC exam results, falsely implying that many successful candidates were enrolled in their foundation course. The institute's claims misled students and parents, violating the Consumer Protection Act, 2019.

INTERNATIONAL UPDATES

AUSTRALIA

Capital Market

Government clarifies merger notification exemptions for superannuation related transactions

The Australian Government registered the Competition and Consumer (Notification of Acquisitions) Amendment (2025 Measures No. 1) Determination 2025 on the Federal Register of Legislation. The amendment clarifies how the mandatory merger notification framework of the Australian Competition and Consumer Commission will apply from 1 January 2026. It expressly excludes certain superannuation related acquisitions from notification requirements. These include acquisitions arising from successor fund transfers and member approved rollovers permitted under the Superannuation Industry (Supervision) Regulations. Transactions resulting solely from a change of trustee under a deed of resignation and appointment are also exempt. The clarification aims to prevent routine superannuation restructurings from being delayed by merger control processes while preserving oversight over substantive acquisitions.

Construction

Court distinguishes delay and disruption claims in construction disputes

In *V601 Developments v Probuild* [2021], the Supreme Court clarified the distinction between delay and disruption claims in construction disputes. The Court held that delay relates to the extension of project time, while disruption concerns increased costs due to inefficiency. Although both may arise from similar events, each head of claim must be supported by separate evidence. Delay claims require time based analysis, whereas disruption claims require cost based proof. The Court rejected attempts to rely on a single analytical method for both claims. The decision reinforces the need for precise forensic evidence when advancing construction claims involving delay and disruption.

Employment and Labour Law

Victoria introduces new psychosocial health duties for employers

Victoria's Occupational Health and Safety (Psychological Health) Regulations 2025 came into force imposing enhanced obligations on employers to manage psychosocial risks at work. Employers are now required to identify psychosocial hazards, assess associated risks, and eliminate or reduce those risks so far as reasonably practicable. The Regulations expand the definition of 'psychosocial hazards' to include work design, systems of work, and workplace interactions. While mandatory reporting and prevention plans were removed from the final version, employers are encouraged to use templates issued by WorkSafe Victoria. The duties apply to employees, contractors, and labour hire workers and require ongoing consultation and review.

Federal Court awards employee six figure entitlement under profit sharing clause

In *HealthX Group Pty Ltd v Palling (No 2)* [2025] Federal Court of Australia 1300, the Court examined whether a profit sharing clause in an employment contract created an entitlement or was discretionary. The dispute arose from a schedule to the contract providing for a five percent share of gross contribution subject to performance criteria. The employer argued the clause operated like a discretionary bonus. The Court rejected this argument, holding that a profit share creates a contractual expectation where profitability criteria are met. The absence of cross reference to the clause in the main contract did not negate its enforceability. The decision highlights the importance of careful drafting of incentive arrangements.

Insurance

High Court clarifies scope of private nuisance in public infrastructure projects

The High Court of Australia has clarified the principles governing the tort of private nuisance in *Hunt Leather Pty Ltd v Transport for New South Wales* [2025] High Court of Australia 53. The case arose from prolonged construction works for the Sydney Light Rail project that substantially interfered with nearby landowners' use and enjoyment of their property. The Court reinstated the trial court's finding of liability after it was overturned by the New South Wales Court of Appeal. The High Court held that statutory authorization does not automatically excuse nuisance if the interference is unreasonable. It emphasized that the core test is whether the interference was substantial and whether the activity was carried out conveniently, even if the purpose was common and ordinary. The ruling strengthens landowner protections against prolonged public works.

CANADA

Capital Market

Canadian regulators propose amendments to non Generally Accepted Accounting Principles disclosure rules

The Canadian Securities Administrators have issued proposed amendments to National Instrument 52 112 concerning non Generally Accepted Accounting Principles and other financial measures disclosure. The proposal responds to the introduction of International Financial Reporting Standards 18 on management defined performance measures. The amendments seek to ensure that such measures remain subject to regulatory oversight when disclosed outside financial statements. Definitions are proposed to be revised to explicitly include management defined performance measures. The initiative aims to maintain regulatory consistency and avoid disclosure gaps.

Employment and Labour

Ontario introduces administrative monetary penalties for workplace safety breaches

Ontario has introduced administrative monetary penalties as a new enforcement mechanism under the Occupational Health and Safety Act. The changes were enacted through the Working for Workers Seven Act 2025 and accompanying regulations. Inspectors may now impose penalties without court proceedings for non compliance. These penalties create records of violations and may increase regulatory scrutiny for repeat offenders. The regime aligns Ontario with other Canadian provinces using administrative enforcement tools. Employers are urged to strengthen compliance systems.

British Columbia court limits application of changed substratum doctrine

In *LaPlume v AAA Internet Publishing Inc.* [2025] British Columbia Supreme Court 2139, the Court reaffirmed the narrow scope of the changed substratum doctrine. The employee argued that changes to his role invalidated a nine year old employment contract. The Court rejected the claim, holding that the changes were contemplated by the contract and not fundamental. Salary increases alone did not alter the nature of employment. The decision reinforces contractual certainty in long term employment relationships.

CHINA

Banking

China issues first comprehensive rules governing commercial bank custody services

The National Financial Regulatory Administration issued the Measures for the Supervision and Administration of Commercial Bank Custody Business (Trial), effective from 1 February 2026. The Measures establish China's first unified regulatory framework for commercial bank custody services. They clearly define the responsibilities and boundaries of custodian banks and confirm that custodians do not guarantee investment performance. Custodian banks are expressly prohibited from assuming credit or market risks of custody products. Banks are advised to review and amend custody agreements to ensure compliance. The Measures introduce stricter compliance expectations and enhance regulatory oversight of custody operations.

Litigation

Beijing strengthens position as international commercial dispute resolution hub

Chinese judicial authorities have highlighted Beijing's growing role as a center for international commercial litigation. Since its establishment in December 2021, the Beijing International Commercial Tribunal has resolved over 6,000 foreign related disputes involving more than 8,000 domestic and foreign entities. Many cases have arisen from projects linked to the Belt and Road Initiative. The court has expanded its panel of mediators to include professionals with international experience. It has also promoted arbitration friendly practices and digital litigation services such as electronic filing and online document delivery. These reforms aim to enhance efficiency and reinforce Beijing's rule of law business environment.

Intellectual Property

China mandates XML format for all electronic patent filings from 2026

China will require all electronically filed patent application documents to be submitted in Extensible Markup Language (XML) format from 1 January 2026. The China National Intellectual Property Administration issued a notice on 12 November 2025 confirming full implementation of this requirement. The rule applies to invention, utility model, and design patent applications, including claims, specifications, drawings, abstracts, and amendments. Re-examination and invalidation proceedings are also covered. Applicants and patent agencies must ensure accuracy of converted documents and bear responsibility for formatting errors. The reform aims to standardize electronic filings and improve examination efficiency.

HONG KONG

Banking

Legal framework clarifies intellectual property protection for fintech software

Hong Kong's legal framework provides multiple layers of intellectual property protection for fintech businesses developing software. Computer programs are protected as literary works under the Copyright Ordinance, with protection arising automatically upon creation. Confidential software code may also be protected as confidential information without registration. While computer programs and business methods are excluded from patentability under the Patents Ordinance, patents may still be granted where the invention demonstrates a technical contribution beyond the software itself. Standard patents may be obtained through designated offices in China, the United Kingdom, or the European Patent Office. The guidance highlights the importance of strategic intellectual property planning for fintech firms.

MALAYSIA

Capital Market

Securities Commission seeks feedback on reforms to corporate governance framework

The Securities Commission Malaysia released a discussion paper seeking public feedback on proposed reforms to Malaysia's corporate governance framework. The proposals focus on strengthening board leadership, improving audit and risk oversight, and enhancing integrity in corporate reporting. The consultation outlines fifty five proposed measures across seventeen thematic areas. These include greater board accountability for long term value creation, enhanced disclosure of corporate purpose and strategy, and improved stakeholder engagement. The initiative aims to drive behavioral change and promote sustainable value creation across corporate Malaysia.

Corporate

Malaysia tightens controls on movement of United States origin artificial intelligence chips

Malaysia's Ministry of Investment, Trade and Industry has announced stricter controls on the export and transit of United States origin artificial intelligence chips. All exports, transshipments, and transit of specified high performance chips now require a Strategic Trade Permit under section 12 of the Strategic Trade Act 2010. Businesses must provide advance notification and supporting documentation, including United States re-export licenses. Non compliance may result in severe penalties, including fines and imprisonment. The measures aim to strengthen export control compliance and address national security concerns.

Tax

New guidelines clarify stamp duty treatment for movable property transactions

The Inland Revenue Board of Malaysia issued guidelines clarifying stamp duty obligations for sale and transfer of movable property. Movable assets include machinery, vehicles, equipment, and similar items. *Ad valorem* stamp duty applies to transfers of business assets, while trade goods attract only nominal duty. The applicable duty rate ranges from one percent to four percent based on transaction value and buyer status. The guidelines also clarify that where both a sale agreement and transfer instrument are executed, only nominal duty applies to the latter if ad valorem duty was paid on the former.

TAIWAN

Constitution

Constitutional Court strikes down procedural amendments limiting judicial review

Taiwan's Constitutional Court has invalidated amendments to the Constitutional Court Procedure Act that imposed rigid quorum and voting thresholds. **In Constitutional Court Judgment No. 114-Hsien-Pan-1 (Constitutionality of the Amendments to the Constitutional Court Procedure Act),** the Court held that the amendments suffered from serious procedural defects, including lack of adequate deliberation and transparency. The Court further ruled that the amendments violated the constitutional principle of separation of powers by undermining judicial independence. The decision reaffirmed that procedural statutes cannot impair the core functions of constitutional adjudication. The ruling safeguards the Court's ability to exercise effective constitutional review.

USA

Banking

Federal Deposit Insurance Corporation proposes stablecoin application framework

The Federal Deposit Insurance Corporation proposed rules to implement application procedures under the Guiding and Establishing National Innovation for United States Stablecoins Act. The proposal applies to subsidiaries of insured depository institutions supervised by the Corporation. It sets out application requirements, review timelines, and grounds for approval or denial. Public comments are invited until 17 February 2026. The framework aims to establish consistent federal oversight for payment stablecoin issuance.

Capital Market

Foreign issuer insiders brought under reporting obligations by new federal law

The United States enacted the Holding Foreign Insiders Accountable Act through the National Defense Authorization Act 2026. The law subjects officers and directors of foreign private issuers to ownership reporting requirements under section 16 of the Securities Exchange Act of 1934. While reporting obligations apply, short swing profit recovery provisions do not. The Securities and Exchange Commission is granted authority to exempt issuers where foreign laws provide substantially similar disclosure requirements. The change increases transparency for foreign listed companies.

IN NEWS

Power lines, wind turbines, and survival: Supreme Court enforces binding protection for Great Indian Bustard

M K Ranjitsinh and Others v Union of India and Others (MANU/SC/1709/2025)

The Supreme Court of India has issued decisive directions to protect the critically endangered Great Indian Bustard and Lesser Florican while balancing environmental protection with renewable energy development. In *M K Ranjitsinh and Others v Union of India and Others*, a Bench of Justice P S Narasimha and Justice A S Chandurkar accepted the recommendations of an expert committee and ordered their implementation within two years.

The Court directed the undergrounding of identified high risk 33 kilovolt power lines in Rajasthan and Gujarat, rerouting of selected 66 kilovolt lines, and the undergrounding of additional power lines flagged by the Wildlife Institute of India. It also imposed a complete prohibition on new wind turbines and solar parks exceeding two megawatt capacity within revised priority conservation areas.

The Bench clarified that the case was not merely about saving a species but about ensuring that conservation and clean energy goals move together. It further observed that environmental protection forms part of statutory corporate social responsibility under Section 135 of the Companies Act, 2013 and is reinforced by the fundamental duty under Article 51A(g) of the Constitution of India. The Union Ministry of Environment was directed to coordinate and oversee implementation of these measures.

Forensic audit without statutory qualification cannot trigger fraud action: Bombay High Court

Anil Ambani v Indian Overseas Bank and Others(MANU/MH/9233/2025)

The Bombay High Court has stayed all coercive steps taken by banks against Anil Ambani that were based on a forensic audit report lacking statutory validity. In *Anil Ambani v Indian Overseas Bank and Others*, Justice Milind Jadhav restrained Bank of Baroda, IDBI Bank and Indian Overseas Bank from acting on show cause notices and fraud classification proceedings arising from an audit conducted by BDO LLP.

The Court took a *prima facie* view that the audit report could not be relied upon as it was not signed by a chartered accountant holding a valid certificate of practice, as required under the Reserve Bank of India Master Directions on Fraud, 2024. The Court noted that once the Reserve Bank of India consciously linked eligibility of forensic auditors to statutory qualifications, banks could not rely on reports prepared by unqualified persons.

The proceedings stemmed from actions taken against Reliance Communications Limited and related entities. The Court observed that regulatory directions issued by the Reserve Bank of India are binding and not optional, and failure by banks to adhere to prescribed timelines and requirements could have wider economic consequences. A request to stay the operation of the order was expressly rejected.

Air pollution emergency reaches court: plea seeks medical device status for air purifiers

A Public Interest Litigation has been filed before the Delhi High Court seeking reclassification of air purifiers as medical devices and a corresponding reduction in the applicable Goods and Services Tax. Advocate Kapil Madan has urged the Court to direct the Central Government to bring air purifiers within the scope of the Medical Devices Rules, 2017, which would lower the Goods and Services Tax rate from 18% to 5%.

The petition argues that air purifiers can no longer be treated as luxury goods, particularly in the context of severe and recurring air pollution in Delhi. It contends that the present tax structure makes access to clean indoor air unaffordable for large sections of the population during what is described as an ongoing public health emergency. According to the petitioner, the high tax burden imposes an unreasonable and constitutionally impermissible restriction on access to a device essential for safe respiration.

The plea further relies on a Central Government notification issued in 2020, asserting that air purifiers meet the functional criteria of a medical device by supporting physiological functions and preventing health risks arising from hazardous air quality. It is contended that continued taxation at the highest slab, despite functional similarity with other devices taxed at 5%, violates principles of reasonable classification under constitutional law.

The matter is listed before a Division Bench comprising Chief Justice Devendra Kumar Upadhyaya and Justice Tushar Rao Gedela, who are scheduled to hear the case on 31st December 2025.