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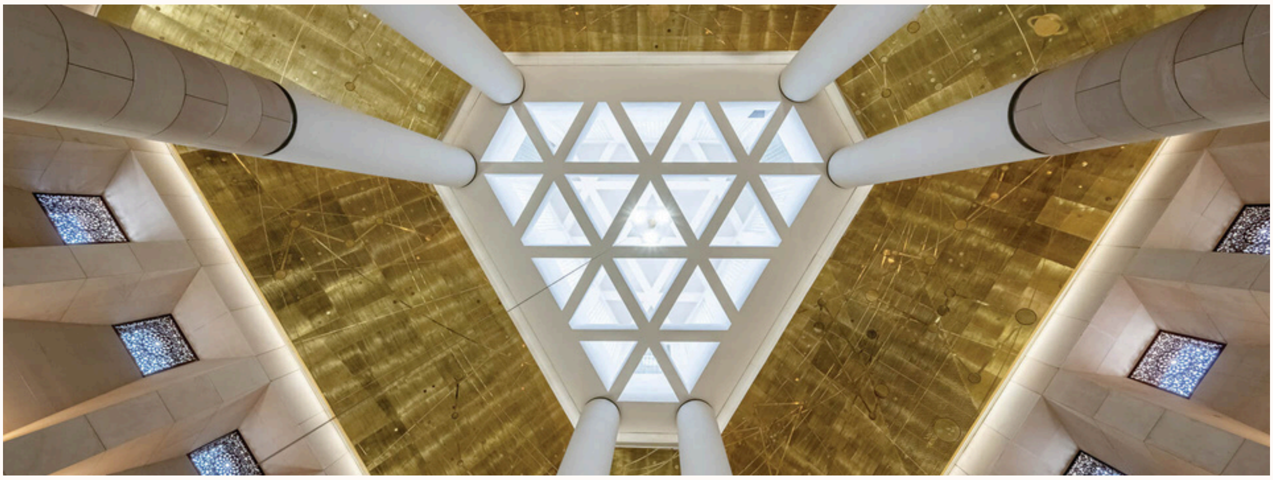
Monthly Newsletter

INDIALAW

May 2025



From the desk of our Managing Partner

We are delighted to present the May 2025 edition of our newsletter, where we showcase critical legal developments and success stories that have shaped this month.

Our dedicated team has worked diligently to navigate complex legal landscapes, providing strategic counsel and achieving impactful outcomes that reinforce our unwavering commitment to excellence.

This month has been particularly dynamic, with noteworthy cases spanning diverse practice areas. From precedent-setting decisions in corporate law to pivotal breakthroughs in intellectual property disputes,

We are proud to share successes that showcase our pursuit of justice and innovation, reflecting our mission to safeguard your interests with tailored solutions.

In addition to case highlights, we bring you valuable insights into recent legal reforms, regulatory updates, and emerging trends that could significantly influence your business and personal affairs.

Understanding the ever-changing legal environment is crucial, and we are here to ensure that you remain informed, prepared, and proactive in your approach.

Enjoy this month’s newsletter!

Shiju PV

In this newsletter you can expect:

Recent Judgements, Press Quotes and Articles

This update covers:

1. **Recent Judgements**

2. **Articles**

3. **Press Release**

JUDGEMENTS

Supreme Court Clarifies Insurer Liability In Tractor-Trailer Accidents: Royal Sundaram V. Honnamma

Introduction

In a significant decision, the Supreme Court of India in The Royal Sundaram Alliance Insurance Company Limited v. Smt. Honnamma & Ors[1] upheld the High Court's direction that the insurer must satisfy an enhanced compensation award following a fatal tractor-trailer accident. This judgment reinforces the principle that insurance cover extends to accidents caused by an insured prime mover, even if an attached trailer lacks separate insurance. It marks an important endorsement of the Motor Vehicles Act, 1988's welfare-oriented approach.

Case Background

On February 29, 2012, Nagarajappa, employed as a laborer unloading soil from a tractor-trailer, suffered fatal injuries when the trailer overturned due to negligent driving by the tractor's driver. The victim's widow and two young daughters filed a claim before the Motor Accident Claims Tribunal (MACT), Harihar, seeking Rs. 10,00,000 in compensation. The MACT awarded Rs. 9,50,000 with 6% annual interest, holding the tractor owner and driver liable but absolving Royal Sundaram of liability on a finding that the trailer and its laborers were not covered under the policy.

High Court and Appeal

Dissatisfied, the claimants appealed (MFA No. 3659/2014) to the Karnataka High Court, which enhanced the award to Rs. 13,28,940, retaining the same interest rate, and held Royal Sundaram liable to pay. The Appellant insurer then sought special leave to challenge this direction, contending that Section 147 of the MV Act requires separate insurance for trailers and excludes laborers ("coolies") unless specifically insured under IMT 39.

Supreme Court’s Key Observations

1. **Root-Cause Liability:** The Court observed that the accident occurred during operation of the insured tractor, which was the operative cause. The trailer’s overturning was consequent to the tractor’s motion and negligent driving, bringing the incident within the tractor’s insurance cover.
2. **Statutory Interpretation:** Emphasizing the welfare-oriented language of the MV Act, the Court cited precedents Ningamma v. United India Insurance, K. Ramya v. National Insurance to hold that statutory third-party cover under Section 147(1)(b) applies to any liability arising from use of the insured vehicle, even if a trailer is attached. The court pointed out that practicality cannot be overshadowed by technicality.
3. **Distinguishing Contradictory Rulings:** While acknowledging decisions like Dhondubai v. Gandigude that denied insurer liability for uninsured trailers, the Court distinguished those on facts—there, the trailer was a stand-alone cause. Here, the tractor’s negligent operation drove the sequence of events.
4. **Policy Terms and Recovery:** The insurance policy’s “IMT 48” (trailers) and “IMT 39” (coolies) endorsements set nominal premium loadings. The Court held the insurer liable to pay the full enhanced award but granted liberty to recover the differential (beyond the policy limit or applicable statutory maximum) from the tractor owner (Respondent No. 4).

Author’s Commentary

This ruling lucidly affirms that technical distinctions like separate trailer registration cannot thwart the core purpose of motor insurance: to ensure prompt compensation for accident victims. By identifying the tractor as the ‘root cause’, the Court upholds a pragmatic, non-technical approach aligned with social justice. It avoids penalizing victims or their families for policyholder omissions, while preserving insurers’ contractual rights through recovery from owners.

Broader Implications for Stakeholders

- For Claimants: The decision offers reassurance that insurers cannot evade liability through narrow construction when the insured vehicle sets events in motion.
- For Insurers and Owners: While insurers must honor awards causally linked to an insured vehicle, they retain a clear right to subrogate against owners for uncovered exposures, preserving commercial fairness.
- For the Judiciary: The judgment is a template for interpreting indemnity provisions purposively, favoring substantial justice over hyper-technicalities.

Conclusion

The Supreme Court’s judgment in Royal Sundaram v. Honnamma strikes a balanced path ensuring victims’ families receive due recompense while respecting insurers’ contractual boundaries. Its emphasis on causal nexus and welfare orientation should guide future disputes in the motor accident claims arena.

Bridging the Digital Divide: Supreme Court Affirms Right to Accessible Digital Services for Persons with Disabilities

Introduction

The rapid digitization of public and private services in India has increased efficiency and convenience but also highlighted critical gaps in accessibility. For persons with disabilities, particularly those with visual impairments or facial disfigurements, accessing digital financial and identity verification services remains a significant challenge.

In a landmark decision, the Supreme Court of India has recognized digital accessibility as a fundamental right under Article 21 of the Constitution. The judgment in Pragya Prasun & Ors. v. Union of India and Amar Jain v. Union of India**[1]** addresses the exclusion of persons with disabilities (PwDs) from digital Know Your Customer (KYC) processes and mandates comprehensive reforms across regulatory and service frameworks. The Court's directions aim to align domestic law with constitutional guarantees, international obligations, and statutory mandates under the Rights of Persons with Disabilities Act, 2016 (RPwD Act).The Court's intervention was necessitated by this gap between technological advancement and inclusive access.

Factual Background

The petitioners included (i) Survivors of acid attacks suffering from facial disfigurement and visual impairment (ii) a person with 100% blindness.They were unable to complete digital KYC/e-KYC procedures due to protocols requiring "live photographs," blinking, facial alignment, or visual responses that were inaccessible to them. This exclusion resulted in denial of access to essential services such as banking, telecom, insurance, and government welfare schemes.
This led the petitioners to invoked their rights under Articles 14, 19, and 21 of the Constitution, the RPwD Act, 2016, and India's obligations under the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD).

Legal Issues

The Supreme Court examined whether the inaccessibility of digital verification methods violates Article 21 of the Constitution, failed to implement the principle of reasonable accommodation under the RPwD Act, and neglected India's international obligationsunder the UNCRPD to ensure accessibility for PwDs.

The Court's Analysis

The Court emphasized that the right to digital inclusion is intrinsic to the right to life and dignity under Article 21 as full participation in society today requires digital access. It found that existing digital KYC frameworks, by failing to accommodate persons with disabilities, amount to systemic discrimination and violate both constitutional and statutory obligations.Citing the judgement given in the matter of Vikash Kumar v. UPSC**[2]**, the Court reiterated the duty of the state to ensure meaningful access and integration of PwDs into mainstream society.
The judgment emphasized that equality must be built into the design of digital systems. The absence of alternative mechanisms effectively marginalizes a segment of the population, undermining constitutional guarantees.

Key Observations:

- The lack of a clear definition of "liveness" in KYC protocols leads to discriminatory practices.
- Accessibility standards for ICT, including IS 17802 (Parts I & II), are not being uniformly implemented.
- Biometric devices and KYC platforms lack assistive technologies like text-to-speech or voice-based inputs.
- Officials lack sensitization, and prompting or third-party assistance is often prohibited.

Directions Issued

To remedy these systemic issues and uphold the rights of persons with disabilities, the Court issued twelve detailed and binding directions to various regulatory and government authorities. These directives aim to eliminate the structural barriers embedded within current digital identification systems. Each directive reflects the Court's intention to bring about substantive equality in accessing digital services. The directions are as follows:

- Formulation of Inclusive Guidelines:All relevant regulators including RBI, SEBI, IRDAI, PFRDA, DoT, and TRAI must formulate comprehensive guidelines to ensure digital KYC procedures are accessible to individuals with various disabilities, particularly visual and facial impairments.
- Alternative Liveness Verification Methods:Regulatory entities must adopt non-visual alternatives for verifying the 'liveness' of a customer—such as voice commands, gesture recognition, or verbal cuesso that reliance on eye movement or blinking is no longer a discriminatory prerequisite.
- Offline KYC Options:Paper-based or physical modes of KYC must be made available to users who are unable to complete digital verification, thereby restoring equitable access to financial and government services.

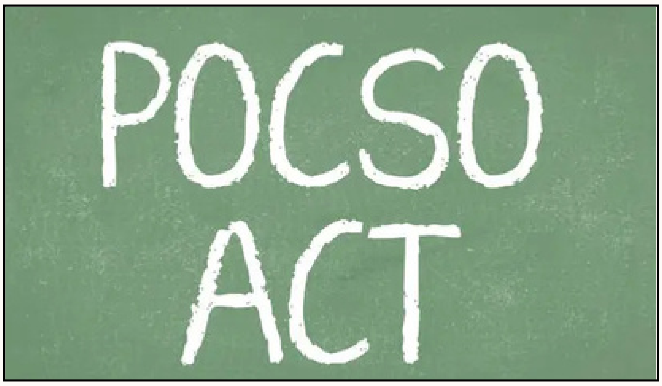
- Recognition of Thumb Impressions:Authorities must accept thumb impressions in lieu of signatures for those unable to sign. Persons with disabilities must also be allowed to take assistance from family or support persons during KYC, without such assistance being considered improper prompting.
- Sensitization and Training:All personnel involved in the KYC and customer support process must undergo training to understand accessibility issues and to assist users with disabilities in a non-discriminatory manner.
- ICT Accessibility Compliance:All platforms, websites, and applications must comply with the Web Content Accessibility Guidelines (WCAG 2.0) and Indian standards such as IS 17802 to ensure compatibility with assistive technologies.
- Definition of Liveness:A clear and inclusive definition of 'liveness' must be established in regulatory frameworks to prevent exclusion based on inflexible visual criteria.
- Assistive Technology Integration:Biometric devices and authentication tools must be retrofitted or redesigned to include features such as audio feedback, screen readers, or voice input, allowing visually impaired users to navigate them independently.
- Authorization of Support Persons:PwDs must be allowed to nominate a guardian or support person to assist with KYC processes, without this being misconstrued as prompting or fraudulent behaviour.
- Regulatory Monitoring:Each regulator is tasked with the ongoing oversight and enforcement of these accessibility standards, and must conduct regular audits to ensure compliance.Entities must also establish a human review mechanism to reassess cases where KYC authentication fails due to accessibility-related false negatives.
- Grievance Redress Mechanism:Regulated entities must create dedicated and accessible grievance redress systems for persons with disabilities, staffed by trained officers capable of handling accessibility-related complaints.
- Accessible Formats for Documentation: All forms, applications, and documents used in KYC and digital services must be available in accessible formats, including screen-reader-friendly digital files, large print, Braille, and audio versions where necessary.

Legal and Policy Implications

This decision has set a precedent for incorporating disability rights into the digital governance framework. It advances the notion of substantive equality and compels public and private institutions to recognize digital access as a non-negotiable aspect of inclusion. By enforcing statutory obligations and aligning with international commitments, the Court ensures that digital systems are designed to accommodate, not exclude. It also provides interpretative clarity on the term "reasonable accommodation" and affirms the justiciability of socio-economic rights for marginalized groups.

Conclusion

This judgment represents a progressive interpretation of constitutional rights in the digital age. By reinforcing that technological infrastructure must be inclusive by default, the Supreme Court has reaffirmed India's commitment to a just and equitable society. This ruling is likely to serve as a cornerstone for future disability rights and digital access jurisprudence.



Suo Moto Action on POCSO Cases: Supreme Court’s Push for Timely Justice

The alarming increase in incidents of sexual offences against children in India has been a subject of national concern for over a decade. In response, the Protection of Children from Sexual Offences Act, 2012 (POCSO Act) was enacted as a special legislation designed to comprehensively address crimes involving sexual abuse and exploitation of children.

Despite its progressive framework, the implementation of the POCSO Act has faced significant challenges, particularly in terms of infrastructure, delays in investigation, lack of specialized personnel, and insufficient sensitivity in handling such cases. These systemic gaps were thrust into judicial focus by the Supreme Court of India in the Suo Moto Writ Petition (Criminal) No. 1 of 2019, initiated under the title In Re: Alarming Rise in the Number of Reported Child Rape Incidents.

Legal Framework of the POCSO Act

The POCSO Act criminalizes a range of sexual offences against children, including penetrative and non-penetrative sexual assault, sexual harassment, and pornography involving minors. The Act is stringent in its procedures mandating child-friendly reporting, recording, and trial processes and prescribes specific timelines: completion of investigations within two months and disposal of trials within six months.

However, even with these statutory directives, significant delays have persisted, particularly due to infrastructural inadequacies and insufficient trained personnel.

Genesis of the Suo Moto Case

On July 12, 2019, the Supreme Court took suo moto cognizance based on disturbing news reports and rising statistics of child sexual abuse cases. Recognizing the urgent need for ju dicial intervention, the Court sought assistance from Senior Advocate Mr. V. Giri (appointed as Amicus Curiae) and directed the registration of a suo moto writ petition.

Following submissions by the Amicus Curiae, Solicitor General Mr. Tushar Mehta, and Registrar Mr. Rathi, the Court issued comprehensive directions in an order dated July 25, 2019, to overhaul the framework for adjudication under the POCSO Act. aimed at streamlining investigations, expediting trials, and mandating the establishment of dedicated POCSO courts. This marked the beginning of nearly six years of continuous judicial monitoring, culminating in the Court's final judgment on May 15, 2025, which assessed the implementation status across States and formally concluded the suo moto proceedings.

Key Directives from the Supreme Court

The judgment emphasized the following measures to be implemented forthwith:

1. Establishment of Exclusive POCSO Courts: In every district with more than 100 POCSO cases, special courts dedicated exclusively to such offences were mandated. These courts are to try no other category of crime.
2. Central Government Funding: The infrastructure, including appointment of presiding officers, support staff, Special Public Prosecutors, and creation of child-friendly environments, was to be financed under a central scheme.
3. Appointment of Sensitive Personnel: Both support persons and Special Public Prosecutors must be not only qualified but also oriented toward child rights and sensitive to children's needs.
4. Public Awareness Initiatives: The Court directed that child abuse awareness content be displayed in cinema halls and public spaces, with helpline numbers prominently featured.
5. Forensic Infrastructure: Noting delays in forensic reporting as a major cause of prolonged investigations, the Court called for the effective functioning of existing Forensic Science Laboratories (FSLs) and contemplated designated FSLs for POCSO cases in the future.

Ongoing Oversight and Implementation Challenges

Over the next several years, the Court monitored implementation through periodic orders. Notably, on November 13, 2019, it required State and Union Governments to ensure adherence to investigative and trial timelines. Further, on December 16, 2019, specific directions were issued for high-pendency states like Uttar Pradesh and West Bengal to expedite the setup of exclusive courts.

The Court also considered establishing a national compensation scheme for POCSO victims and directed State governments to address issues such as lack of dedicated FSLs, shortage of Public Prosecutors, and inadequate victim and witness protection, referencing high-profile cases such as Unnao.

Status Review and Final Judgment (May 15, 2025)

After years of monitoring and engagement, a final status report was submitted by the Amicus Curiae and Senior Advocate Ms. Uttara Babbar on September 24, 2024. The report included detailed, state-wise data on pending cases and the functioning of POCSO courts.

While a majority of States had implemented the Court's directions with central funding, States like Tamil Nadu, Bihar, Uttar Pradesh, West Bengal, Odisha, and Maharashtra still required more infrastructure due to persistent backlogs.

Reiterating the importance of adhering to the statutory timelines under the POCSO Act, the Supreme Court urged both Central and State governments to:

- Prioritize the filing of charge sheets within stipulated periods,
- Complete trials without delay, and
- Establish and maintain exclusive courts and trained personnel for effective delivery of justice.

In concluding the proceedings, the Court recorded its appreciation for the invaluable assistance of Mr. V. Giri and Ms. Babbar, and formally closed the suo moto matter.

Conclusion

The Supreme Court's proactive stance in Suo Moto W.P. (Crl.) No. 1/2019 sets a critical precedent for judicial intervention in systemic failures. It underscores the judiciary's role in upholding the intent of protective legislations like the POCSO Act not just in letter, but in spirit. While meaningful progress has been made, the road ahead requires sustained governmental commitment to ensure that the justice system remains responsive to the most vulnerable—our children.

Fixing Director's Liability Under the NI Act: The Role of Substantial Averments in the HDFC Bank Case

In a significant ruling delivered on May 22, 2025, the Supreme Court of India addressed the contentious issue of vicarious liability under Section 141 of the Negotiable Instruments Act, 1881 (NI Act). The case, HDFC Bank Limited versus the State of Maharashtra and another respondent, saw the apex court scrutinize the Bombay High Court's decision to quash criminal proceedings against Mrs. Ranjana Sharma, a director of a company that defaulted on its loan obligations to HDFC Bank. This article delves into the intricacies of the case, the legal arguments presented, and the Supreme Court's comprehensive analysis leading to its landmark decision.

Background of the Case

The case revolves around M/s R Square Shri Sai Baba Abhikaran Pvt. Ltd., a company with the following directors: Mrs. Ranjana Sharma, her daughter Ms. Rachana Sharma, and Mr. Rakesh Rajpal. The company approached HDFC Bank for a credit facility in the form of a Revolving Loan Facility to meet its working capital requirements. The bank granted the facility, which was subsequently enhanced multiple times. However, the company failed to repay the outstanding dues, leading to its account being classified as a Non-Performing Asset (NPA) on March 27, 2018. A cheque issued by the company for Rs. 6,02,04,217 was dishonoured due to an "account blocked" reason. Despite legal notices, the company and its directors failed to respond, prompting HDFC Bank to initiate criminal proceedings under Section 138 of the NI Act.

The Bombay High Court's Decision

The Bombay High Court, in its judgment dated January 10, 2024, quashed the criminal proceedings against Mrs. Ranjana Sharma. The High Court held that the complaint filed by HDFC Bank did not contain sufficient averments to invoke vicarious liability against her under Section 141 of the NI Act. The court emphasized that the specific words "was in charge of" and "was responsible to the company for the conduct of the business of the company" were not used in the complaint, which are essential to establish liability under the section.

Rival Contentions

HDFC Bank contended that the averments in the complaint, when read with the supporting documents, clearly established that Mrs. Ranjana Sharma was in charge of and responsible for the company's business. The bank relied on several judgments, including S.M.S. Pharmaceuticals Ltd. vs. Neeta Bhalla and Another, (2005) 8 SCC 89, arguing that the substance of the allegations, rather than the exact wording, should be considered. On the other hand, Mrs. Ranjana Sharma's counsel argued that the complaint failed to meet the requirements of Section 141 of the NI Act. They emphasized that the exact wording of the section must be used in the complaint and that merely being a director does not establish liability. They cited judgments like Siby Thomas vs. Somany Ceramics Limited, (2024) 1 SCC 348, to support their argument.

Supreme Court's Analysis

The Supreme Court analysed the averments in the complaint and found that they were sufficient to establish that Mrs. Ranjana Sharma was responsible for the day-to-day affairs, management, and working of the company. The Court held that the substance of the allegations, rather than the exact wording, should be considered. The Court emphasized that the complainant is not required to plead administrative matters that are within the special knowledge of the company or its directors. The Court concluded that the averments in the complaint fulfilled the requirements of Section 141 of the NI Act.

Legal Provisions and Judgments Relied Upon

The Supreme Court relied on several key legal provisions and judgments in its analysis. Section 141 of the NI Act imposes vicarious liability on persons who were in charge of and responsible for the conduct of the company's business at the time the offence was committed. The Court cited judgments such as S.M.S. Pharmaceuticals Ltd. vs. Neeta Bhalla and Another, (2005) 8 SCC 89, which clarified that the complaint must specifically aver that the accused was in charge of and responsible for the conduct of the company's business. The Court also referred to Monaben Ketanbhai Shah and Another vs. State of Gujarat and Others, (2004) 7 SCC 15, which held that the complaint need not reproduce the language of Section 141 verbatim if the substance of the allegations fulfills the requirements.

Conclusion

The Supreme Court's decision in HDFC Bank Limited versus the State of Maharashtra and another respondent is a significant ruling that clarifies the scope and application of Section 141 of the NI Act. The Court's emphasis on the substance of the allegations over the exact wording provides much-needed clarity on the issue of vicarious liability. By allowing the appeal and setting aside the Bombay High Court's judgment, the Supreme Court has reaffirmed the importance of ensuring that directors and persons in charge of companies are held accountable for their actions. This judgment serves as a significant precedent for future cases involving similar issues and highlights the apex court's commitment to upholding the principles of justice and accountability.

Arbitration Law Update: Supreme Court Affirms Arbitral Tribunal's Power to Award Interest for Pre-Reference, Pendente Lite and post award and Interest on Interest

In a judgment delivered on May 15, 2025, the Supreme Court of India addressed a critical issue in arbitration law, affirming the power of arbitral tribunals to award interest on principal amounts and previously awarded interest. The case, titled "Interstate Construction vs. National Projects Construction Corporation Ltd.," involved a long-standing dispute over contractual dues and recoveries related to the Ramagundam Super Thermal Power Project in Andhra Pradesh. This decision not only clarifies the legal position on interest awards under the Arbitration and Conciliation Act, 1996, but also signifies the importance of procedural fairness and judicial restraint in arbitration matters.

Background of the Case

The dispute between M/s Interstate Construction (the Appellant) and National Projects Construction Corporation Ltd. (the Respondent) dates back to 1984 when the Respondent engaged the Appellant to execute a contract for the Ramagundam Super Thermal Power Project. Two separate work orders were issued, and a contract agreement was subsequently entered into by the parties. The Appellant completed the work in 1987, but the Respondent withheld certain payments, leading to disputes over contractual dues and recoveries. The Appellant invoked the arbitration clause in 1993, setting the stage for a protracted legal battle.

Arbitration Proceedings and Award

The arbitration process saw multiple changes in the appointment of arbitrators, with the final award pronounced by Mr. Justice R.C. Jain on October 28, 2020. The award included claims for interest on various heads, including pre-reference interest, pendente lite interest, and future interest. The Respondent challenged this award under Section 34 of the Arbitration and Conciliation Act, 1996, specifically contesting the interest awarded on the principal amount plus previously awarded interest.

Rival Contentions

The Appellant claimed an aggregate amount of Rs. 4,46,29,404.00, including interest at 24% per annum. They argued that the interest should be calculated on the principal amount and previously awarded interest. The Respondent, however, contended that the arbitral tribunal's award of interest on the principal amount plus previously awarded interest was impermissible, amounting to compound interest. They also argued that the award of interest for three periods (pre-reference, pendente lite, and future) was contrary to the provisions of Section 31(7) of the 1996 Act.

Legal Provisions and Judgments Relied Upon

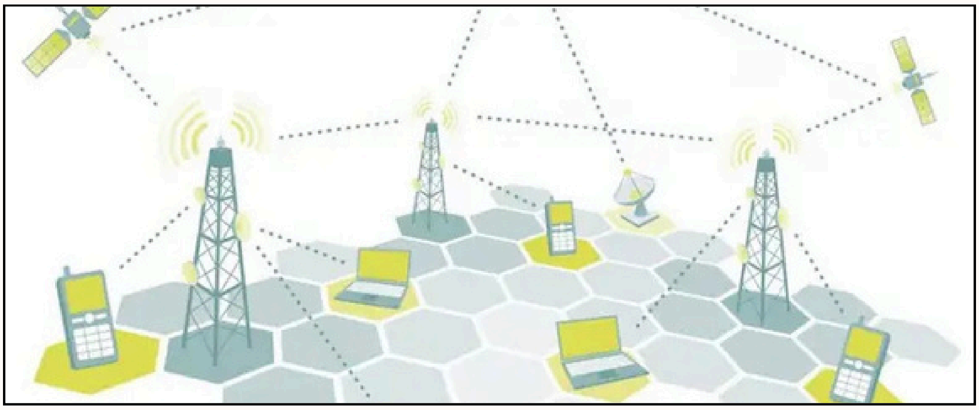
The Supreme Court relied on several legal provisions and judgments to analyse the case. Section 31(7) of the Arbitration and Conciliation Act, 1996, was central to the debate. This section allows the arbitral tribunal to include interest in the award for the period between the date of the cause of action and the date of the award (clause a) and from the date of the award to the date of payment (clause b). The court also referred to several landmark judgments, including Sayeed Ahmed and Company vs. State of Uttar Pradesh, Pam Developments Private Limited vs. State of West Bengal, and Hyder Consulting (UK) Ltd. vs. Governor, State of Orissa, to clarify the legal position on interest awards.

Analysis of the Court

The Supreme Court analysed Section 31(7) of the 1996 Act and held that the arbitral tribunal has the discretion to award interest for the whole or any part of the period between the date of the cause of action and the date of the award. This includes the pre-reference period and pendente lite period. The court further held that the sum awarded, including interest, could carry further interest from the date of the award to the date of payment. This means that interest on previously awarded interest is permissible, effectively allowing compound interest.

Conclusion

The Supreme Court's decision in Interstate Construction vs. National Projects Construction Corporation Ltd. is a landmark judgment that clarifies the legal position on interest awards in arbitration proceedings. By upholding the arbitral tribunal's power to award interest on principal amounts and previously awarded interest, the court has provided much-needed clarity and guidance. This judgment underscores the importance of procedural fairness and judicial restraint in arbitration matters, ensuring that parties receive just and equitable treatment under the law. The decision is expected to have a significant impact on future arbitration cases, reinforcing the principles of fairness and justice in dispute resolution.



Supreme Court Directs Liquidation of Bhushan Power and Steel After Rejecting JSW's Plan

The Supreme Court of India delivered a significant judgment in the case of Kalyani Transco vs. M/s. Bhushan Power and Steel Limited & Ors., Civil Appeal No. 1808 of 2020, on May 2, 2025. The judgment was authored by Justice Bela M. Trivedi and Justice Satish Chandra Sharma. The batch of appeals stems from the common impugned Judgment and Order dated 17.02.2020 passed by the National Company Law Appellate Tribunal (NCLAT), New Delhi. The appeals were filed by various parties, including operational creditors, erstwhile promoters, and government authorities, challenging the NCLAT's decision. The categories of the appeals are as follows:

1. Civil Appeal No. 1808 of 2020 filed by Kalyani Transco, an operational creditor.
2. Civil Appeal Nos. 2192-2193 of 2020 filed by Mr. Sanjay Singal & Another, the erstwhile promoters.
3. Civil Appeal No. 3784 of 2020 filed by the Government of Odisha & Others.
4. Civil Appeal No. 2225 of 2020 filed by Jaldhi Overseas Pte. Limited, an operational creditor.
5. Civil Appeal No. 3020 of 2020 filed by M/s. Medi Carrier Private Limited, an operational creditor.
6. Civil Appeal No. 668 of 2021 filed by the State of Odisha.
7. Civil Appeal No. 6390 of 2021 filed by CJ Darcl Logistics Limited, an operational creditor.

Factual Background

The factual background of the case involves the Corporate Insolvency Resolution Process (CIRP) initiated against Bhushan Power and Steel Limited (BPSL) under the Insolvency and Bankruptcy Code, 2016 (IBC). The Reserve Bank of India (RBI) identified BPSL as one of the "dirty dozen" accounts for resolution under the IBC. The CIRP proceedings were triggered by Punjab National Bank, and the process involved multiple rounds of negotiations, submissions of resolution plans by prospective resolution applicants (JSW, Tata Steel, and Liberty House), and various litigations. The Committee of Creditors (CoC) approved the resolution plan submitted by JSW, which was subsequently approved by the NCLT and NCLAT. However, the implementation of the plan was challenged by various parties, leading to the present appeals.

Civil Appeals and Observations by the Court

The Supreme Court observed that the NCLAT had allowed the appeal filed by JSW and dismissed the appeals filed by the erstwhile promoters, operational creditors, and the State of Odisha. The court noted that the NCLAT had modified certain conditions imposed by the NCLT while approving JSW's resolution plan. The court also highlighted that JSW had filed an appeal (Company Appeal No. 957 of 2019) before the NCLAT, challenging some conditions imposed by the NCLT, which was not maintainable under Section 61 of the IBC.

Preliminary Objections and Court's Decision

The counsel for the CoC raised preliminary objections regarding the maintainability of the appeals filed by the appellants, arguing that an appeal under Section 62 of the IBC could only be filed by a "person aggrieved" on a question of law. The court, however, held that any person aggrieved by the order of the NCLAT could file an appeal under Section 62, as there was no rigid locus requirement. The court cited the case of Glas Trust Company LLC Vs. Byju Raveendran and Others to support its decision.

Maintainability of Company Appeal No. 957 of 2019

The court examined the maintainability of the Company Appeal No. 957 of 2019 filed by JSW before the NCLAT, challenging the conditions imposed by the NCLT. The court held that JSW could not be said to be a "person aggrieved" by the NCLT's order approving its own resolution plan. The court further noted that none of the grounds specified in Section 61(3) of the IBC existed for JSW to file such an appeal. The court cited its earlier decision in K. Sashidhar Vs. Indian Overseas Bank to emphasize that an appeal against an order approving a resolution plan could only be filed on the grounds mentioned in Section 61(3).

Mandatory Requirement Under Section 29A

The court highlighted the statutory requirement under Section 29A of the IBC, which mandates proper disclosure by the resolution applicant regarding its eligibility. The court noted that the resolution professional had failed to submit a compliance certificate in the prescribed Form 'H,' certifying that the resolution applicant had complied with Section 29A. The court observed that the resolution professional had not verified the contents of the affidavit filed by JSW regarding its eligibility, raising doubts about JSW's eligibility to submit the resolution plan.

Powers of NCLT to Review Decisions Under the PMLA

The court examined whether the NCLAT had the power to review decisions of statutory authorities under the Prevention of Money Laundering Act, 2002 (PMLA). The court held that neither the NCLT nor the NCLAT had the power to exercise judicial review over decisions falling within the realm of public law. The court cited its decision in Embassy Property Developments Private Limited vs. State of Karnataka & Ors. to emphasize that decisions under the PMLA could not be reviewed by the NCLT or NCLAT.

Non-Compliance of Mandatory Provisions and EBITDA

The court summarized the submissions made by the learned advocates for the appellants, highlighting the non-compliance of mandatory provisions of the IBC and the regulations. The court noted that the resolution plan submitted by JSW did not comply with the mandatory requirements, particularly regarding the payment of operational creditors and the infusion of equity. The court also addressed the issue of Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA), noting that the distribution of EBITDA was not in accordance with the provisions of the IBC.

Non-Compliance of Mandatory Provisions and Misuse of Process of Law

The court observed that there were gross violations of mandatory provisions of the IBC and the regulations throughout the CIRP proceedings. The court noted that the resolution professional had failed to discharge his statutory duties, and the CoC had failed to exercise its commercial wisdom in approving JSW's resolution plan. The court highlighted that JSW had willfully breached the terms of the approved resolution plan, delayed its implementation and misused the process of law. The court cited several case laws, including Arcelormittal India Private Limited vs. Satish Kumar Gupta and Others, to emphasize the importance of compliance with the mandatory provisions of the IBC.

Conclusion

The Supreme Court, in its judgment, quashed and set aside the judgments and orders passed by the NCLT and NCLAT. The court rejected JSW's resolution plan, finding it not in conformity with the provisions of the IBC. The court directed the NCLT to initiate liquidation proceedings against BPSL under Chapter III of the IBC. The court also noted that the payments made by JSW to the creditors and any equity contribution infused would be dealt with as per the statement recorded in the court's order dated 06.03.2020. The court's decision underscores the importance of strict compliance with the provisions of the IBC and the regulations, and it highlights the need for all stakeholders to act in good faith and in accordance with the law.

Supreme Court Reaffirms Finality in AGR Dues: Dismisses Vodafone Idea's Writ Petitions

Introduction

In a notable reiteration of the finality of judicial decisions, the Supreme Court of India on May 19, 2025, dismissed writ petitions filed by major telecom players, including Vodafone Idea Ltd., challenging the imposition of interest, penalties, and interest on penalties on Adjusted Gross Revenue (AGR) dues. The petitions were filed under Article 32 of the Constitution of India and aimed to seek relief from financial liabilities that arose following the Court's earlier rulings on AGR. The decision reinforces the constitutional boundaries of Article 32 jurisdiction and the legal principle that curative and final judgments of the apex court cannot be reopened under the guise of new public interest claims.

Legal Background: The AGR Controversy

The controversy over Adjusted Gross Revenue (AGR) has its roots in the interpretation of licensing terms between telecom operators and the Department of Telecommunications (DoT). While the telecom service providers argued for a narrow construction of AGR, limited to core telecom revenue, the DoT maintained that AGR included all revenue, including that from non-core sources such as rent, interest, and dividend income.

In a landmark judgment in 2019, the Supreme Court upheld the DoT's interpretation, thereby significantly increasing the liabilities of telecom companies. The Court directed the payment of not only the principal amount but also interest, penalties, and interest on penalties. This decision resulted in a cumulative financial burden exceeding ₹1.47 lakh crore on telecom providers[1]

Subsequently, in September 2020, acknowledging the financial distress in the sector, the Supreme Court allowed the dues to be paid in ten equal annual installments ending in 2031.[2] Despite these concessions, telcos continued to make representations to the government seeking waiver or reduction of additional charges.

The 2025 Petitions: Claims and Reliefs

In 2025, Vodafone Idea Ltd. and other operators approached the Supreme Court with fresh writ petitions invoking Article 32. They argued that the insistence on payment of interest and penalties was arbitrary and economically ruinous, especially when the principal amounts were already being paid in installments. The petitioners prayed for:

- A direction restraining the government from demanding interest, penalty, and interest on penalty.
- A declaration that the demand for 'interest on interest' during the installment period was illegal.
- In the alternative, a direction for the government to consider their pending representations in a time-bound and fair manner.

Supreme Court's Observations and Ruling

A Bench comprising Justice J.B. Pardiwala and Justice R. Mahadevan dismissed the petitions, emphasizing the sanctity of previous rulings. The Court stated:

"It will be a very sad day if the highest Court of this Country starts entertaining Article 32 Writ Petitions on the same subject matter after the Curative Petitions are dismissed."

The Bench noted that the writ petitions sought to indirectly reopen issues that had already been decided conclusively through the Court's judgment dated October 24, 2019, and the subsequent curative petition process. The Court held that such petitions were misconceived and not maintainable under Article 32, which is reserved for the enforcement of fundamental rights not for circumventing the doctrine of finality.

Legal and Sectoral Implications

This ruling is a significant reaffirmation of judicial discipline and finality. By refusing to entertain repetitive litigation, the Supreme Court has safeguarded the principles of legal certainty and consistency. The judgment sends a strong signal to the industry that challenges to settled legal positions must end at some point, and the remedy for economic grievances lies within the policy-making domain, not the judiciary.

For the telecom sector, the decision highlights the urgent need to engage with policymakers for sustainable solutions rather than relying on extended legal recourse. With AGR liabilities fixed and installment timelines in place, telecom companies must now focus on operational stability and financial restructuring.

Delhi High Court Upholds Arbitral Award, Grants MSME Interest Rights and Affirms Liability: Shristi v. Scorpio

Introduction

In Shristi Infrastructure Development Ltd. v. Scorpio Engineering Pvt. Ltd. & Anr., the Delhi High Court dismissed a challenge by Shristi Infrastructure Development Ltd. against an arbitral award passed in 2019, thereby upholding the award in favour of Scorpio Engineering Pvt. Ltd., a registered Micro and Small Enterprise (MSME). The dispute arose out of a contract for a coal handling system at a thermal power plant, where Shristi was held jointly liable along with another contracting party for unpaid dues. In his judgment, Justice Jasmeet Singh reaffirmed the applicability of the 'Group of Companies' doctrine to bind non-signatories to arbitration, recognized the enforceability of statutory interest under the MSMED Act, and reiterated the limited scope of interference under Section 34 of the Arbitration and Conciliation Act, 1996.

Factual Background

Scorpio Engineering Pvt. Ltd. (Respondent No. 1) was awarded a contract in 2012 for supplying and installing a coal handling system at a thermal power plant owned by India Power Corporation (Haldia) Limited (Respondent No. 2). Initially, BF Infrastructure Ltd. (BFIL) acted as the EPC contractor, but in 2013, Shristi Infrastructure Development Ltd. (the petitioner) entered the picture by issuing identical purchase and work orders to Scorpio.

In 2014, a Tripartite Agreement was signed between BFIL, Respondent No. 2, and Shristi, transferring all rights and obligations of BFIL to Respondent No. 2. Subsequently, in 2015, Shristi was formally appointed the EPC contractor under a Supply Contract with Respondent No. 2. Scorpio raised claims for outstanding payments for supplies and services rendered, as well as costs incurred in maintaining bank guarantees.

An arbitral award passed in October 2019 directed Shristi and Respondent No. 2 to jointly and severally pay ₹6.56 crore to Scorpio, along with compound interest at 38.85% under the MSMED Act. Shristi challenged the award under Section 34 of the Arbitration Act.

Key Issues

- Whether the arbitral tribunal had jurisdiction despite the MSMED Act's dispute resolution mechanism.
- Whether Shristi, as a non-signatory, could be bound by the arbitration clause through the 'Group of Companies' doctrine.
- Whether awarding MSMED Act interest in an ad hoc arbitration was legally permissible.
- Whether the arbitrator committed errors in law or fact warranting interference under Section 34.

Arguments and Court Analysis

The High Court examined four primary objections raised by the petitioner:

- **Jurisdiction of the Arbitrator under the MSMED Act:** The petitioner claimed that the arbitrator lacked jurisdiction as the dispute involved claims under the MSMED Act, which requires reference to the Facilitation Council. The Court held that the arbitral tribunal's jurisdiction was not affected by the MSMED Act merely because Scorpio Engineering was a registered MSME. Since neither party had invoked Section 18 of the MSMED Act (which provides for reference to the Facilitation Council), the arbitration clause in the contract remained fully enforceable. The Court clarified that Section 18 is discretionary, not mandatory, and the arbitration was validly initiated under the contractual mechanism.

- **Application of the Group of Companies Doctrine:** Shristi argued it had no corporate or functional connection with Respondent No. 2 and was wrongly treated as a group company. The Court upheld the arbitrator's finding that Shristi was effectively bound by the arbitration clause despite being a non-signatory. It emphasized Shristi's direct involvement in the contractual performance including issuing purchase and work orders, approving invoices, and being named in key agreements, all of which demonstrated a clear intention to be part of the contractual framework. Citing the Supreme Court's decision in Cox and Kings v. SAP India, the Court found that applying the Group of Companies doctrine was justified.

- **Liability as an Agent**: Shristi claimed that even if it acted in the transaction, it did so as an agent and could not be held liable under Section 230 of the Indian Contract Act. It noted that the issue of agency was not raised before the arbitral tribunal, and more importantly, the arbitrator did not impose liability on the basis of agency. Instead, liability was based on Shristi's independent and substantive role in the project. The Court found no reason to interfere with the tribunal's factual findings in this regard.

Award of Interest under MSMED Act: The petitioner contested the award of interest under Section 16 of the MSMED Act on the basis that the arbitration was not conducted through the MSMED framework. Addressing the objection to the award of interest under Section 16 of the MSMED Act, the Court held that the right to interest under Sections 15 and 16 is substantive and not dependent on following the dispute resolution process under Section 18. Therefore, the arbitrator was within his authority to award compound interest at the rate of 38.85% as prescribed under the MSMED Act, even though the arbitration was not conducted through the Facilitation Council. This view was supported by prior decisions, including Indian Highways Management Co. Ltd. v. SOWiL Ltd.

Author's Opinion

This decision reinforces the legal foundation toward holding non-signatories accountable where their conduct demonstrates deep involvement in contractual obligations. It also clarifies that MSMED rights are substantive and independent of procedural mechanisms. Courts should, however, apply the Group of Companies doctrine carefully to avoid overextension that undermines corporate separateness. Overall, the judgment strikes a balance between commercial reality and legal principle, particularly in the context of protecting MSMEs.

Conclusion

By upholding the arbitral award, the Delhi High Court emphasized that form cannot override substance in commercial disputes. The judgment is a strong precedent for enforcing statutory rights and ensuring accountability of entities that participate in contract performance, even if they are not formal signatories.

Clarifying Stamp Authorities' Jurisdiction Amid Arbitration Proceedings

Introduction

The intersection between arbitration law and the Indian Stamp Act has long sparked legal debate and uncertainty. This complex interplay recently gained renewed clarity following the Supreme Court's landmark seven-judge ruling in Interplay between Arbitration Agreements under the Arbitration and Conciliation Act, 1996 and the Indian Stamp Act, 1899[1]. However, practical challenges remain particularly when stamp duty deficiency proceedings arise concurrently with arbitration.

In this context, the Allahabad High Court's recent decision in M/s. DLF Home Developers Pvt. Ltd. v. State of U.P. and Others[2] (May 9, 2025) provides critical guidance. The Court clarified that the mere pendency of arbitration does not bar stamp authorities from initiating proceedings under the Indian Stamp Act.

Legal Background: Arbitration Act vs. Indian Stamp Act

The Arbitration and Conciliation Act, 1996 aims to facilitate speedy, efficient dispute resolution with minimal judicial interference. But issues arise when arbitration agreements are unstamped or insufficiently stamped.

In Interplay (2024), the Supreme Court held that an unstamped arbitration agreement is not automatically void. Arbitration proceedings should not be halted merely due to insufficient stamping. The Court empowered arbitrators to impound such documents and refer them to stamp authorities, maintaining a balance between arbitral autonomy and statutory compliance.

Case Overview

M/s. DLF Home Developers Pvt. Ltd. faced stamp deficiency proceedings initiated by the District Magistrate of Gautam Buddha Nagar (Stamp Case No. D202211270001599). The company sought judicial intervention via:

- A writ of mandamus to adjourn the stamp proceedings until arbitration and related court proceedings concluded; or
- A writ of certiorari to quash the stamp recovery process altogether.

Their main argument: the stamp authority lacked jurisdiction to proceed while the dispute was sub judice before an arbitral tribunal.

Petitioner's Contentions

- The stamp authority's actions were premature and unauthorized as the dispute including stamp duty applicability was part of the arbitration process.
- The stamp authority had pre-judged the issue, reducing show cause notices to mere formalities.
- The Supreme Court's Interplay ruling implicitly restrained stamp authorities from initiating proceedings during pending arbitration.

Respondents' Position:

- The writ petition was premature since notices were preliminary, not final orders.
- Stamp authorities possess independent jurisdiction to act where duty deficiencies are evident.
- The arbitration was stayed by the Delhi High Court, negating the petitioner's claim of ongoing proceedings.

Allahabad High Court's Reasoning and Decision

- Jurisdiction of Stamp Authorities: The notices aimed only to determine if a deficiency existed, within statutory powers.
- Scope of Interplay Judgment: The Supreme Court decision addressed arbitral appointment stages and did not prohibit stamp authorities from performing their statutory duties during arbitration.
- Impartiality of Proceedings: Following precedents like Siemens Ltd. and Oryx Fisheries, the Court held that issuance of show cause notices does not imply bias if parties are given an opportunity to respond.
- Prematurity of Writ: Since the petitioner replied to the notices and no adverse order had yet been issued, judicial intervention was premature. Additionally, delay in seeking relief weakened the petition's case.

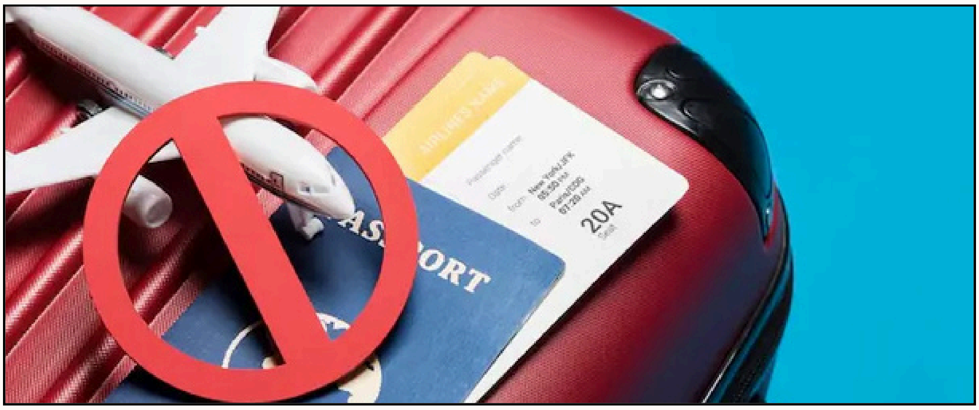
Key Takeaways

- Stamp Authorities Retain Independent Jurisdiction: Even during arbitration, they can investigate and proceed with stamp duty deficiency cases.
- No Absolute Bar from Interplay: The Supreme Court judgment balances arbitration autonomy with statutory compliance, without providing a blanket protection to arbitration agreements against stamp proceedings.
- Bias Must Be Proven: Allegations that show cause notices are mere formalities require solid evidence of premeditation.
- Premature Judicial Review Is Discouraged: Courts generally avoid intervening in preliminary administrative actions where alternative remedies remain available.

Conclusion

The Allahabad High Court's ruling in DLF Home Developers reaffirms the delicate balance between the autonomy of arbitration and the statutory obligations under the Indian Stamp Act. While arbitral tribunals can impound and refer unstamped documents, their jurisdiction does not eclipse the Collector's authority to enforce fiscal duties.

This judgment also exemplifies judicial restraint, cautioning against premature interference in administrative processes. For stakeholders, it underscores the need to address stamp duty issues alongside arbitration rather than expecting arbitration to act as a shield against statutory compliance.



When Can A Passport Be Denied? Legal Insight From Andhra Pradesh HC Judgment

Introduction

The right to travel abroad is widely recognized as part of an individual's personal liberty under Article 21 of the Constitution of India. While the Government of India retains the authority to regulate passports in the interest of national security and public order, this power must be exercised in accordance with statutory provisions and judicial principles.

In this context, a recent judgment of the Andhra Pradesh High Court in Ravi Ramesh v. Union of India (W.P. No. 13133 of 2025) provides important clarity on whether the mere pendency of a criminal case without judicial cognizance can justify the refusal to renew a passport.

Legal Framework: The Passports Act, 1967 (Still in Force)

Despite the recent enactment of the Immigration and Foreigners Act, 2025, replacing several outdated statutes regulating the entry and stay of foreigners in India, the Passports Act, 1967 continues to govern the issuance, renewal, and revocation of passports for Indian citizens. This Act has not been repealed, and remains the controlling legislation for passport matters.
Under Section 6(2)(f) of the Passports Act, the passport authority may refuse to issue or renew a passport if:
"proceedings in respect of an offence alleged to have been committed by the applicant are pending before a criminal court in India."
Crucially, courts have clarified that this provision is triggered only when a criminal court has taken cognizance of the alleged offence and not merely upon registration of an FIR or filing of a charge sheet.

Case Summary: Ravi Ramesh v. Union of India (2025)
Background: The petitioner, Ravi Ramesh, held a valid passport from 22.05.2015 to 21.05.2025. As his passport approached expiry, he applied for renewal on 08.04.2025. However, he received a shortfall notice based on an adverse police verification linked to Crime No. 40/2016 (involving charges under Sections 406 and 407 IPC). Despite submitting a written explanation, the authorities refused to renew his passport, citing the pendency of the criminal case. The petitioner challenged this decision before the Andhra Pradesh High Court.

Key Facts Noted by the Court: A final report had been filed by police before the Judicial Magistrate, but Cognizance had not yet been taken by the magistrate. There were no proceedings initiated under Chapter XVI of the Code of Criminal Procedure (CrPC).

Court's Observations and Ruling: Justice Subba Reddy Satti held that mere pendency of a police case without cognizance by a competent court does not attract Section 6(2)(f) of the Passports Act. The Court emphasized that "Mere pendency of crime is not a bar for renewing/reissuing the passport." As a result, the Court directed the authorities to renew the petitioner's passport, notwithstanding the pending police case, as there were no "proceedings pending before a criminal court" within the meaning of the law.

Judicial Precedents Supporting the Ruling

1. Maneka Gandhi v. Union of India[1]: The Supreme Court ruled that the right to travel abroad is part of the right to personal liberty under Article 21, and cannot be restricted arbitrarily.
2. Satish Chandra Verma v. Union of India[2]: The Court highlighted that the right to travel abroad is a basic human right affecting private life, personal freedom, and self-development.
3. Sumit Mehta v. State (NCT of Delhi)[3]: It reaffirmed the principle of presumption of innocence, allowing an accused to enjoy all constitutional protections until proven guilty.
4. Division Bench of Andhra Pradesh High Court[4]: This decision clarified that unless a court takes cognizance of a charge sheet, proceedings cannot be said to be pending, and thus Section 6(2)(f) does not apply.

The Immigration and Foreigners Act, 2025: What Has Changed?

While not directly applicable to this case, it's important to note the enactment of the Immigration and Foreigners Act, 2025, which consolidates laws related to entry, stay, and departure of foreigners in India, and replaces:

- Passport (Entry into India) Act, 1920
- Registration of Foreigners Act, 1939
- Foreigners Act, 1946
- Immigration (Carriers' Liability) Act, 2000

This new law modernizes immigration controls, introduces stricter penalties for illegal entry and forged documents, and classifies foreigners based on their legal status. However, it does not affect Indian citizens' passport rights, which continue to be governed by the Passports Act, 1967.

Conclusion

The Andhra Pradesh High Court's ruling in Ravi Ramesh v. Union of India reinforces a critical safeguard for citizens: passport renewal cannot be withheld solely based on unsubstantiated criminal complaints or police reports. There must be a judicial act of cognizance before the denial can be justified under Section 6(2)(f). At a time when international mobility is essential for education, employment, and family life, this decision is a timely reminder that administrative discretion must yield to legal safeguards and constitutional rights.

Compelling Voice Samples In Domestic Violence Cases: Bombay High Court Clarifies Legal Position

Introduction

In a noteworthy decision that advances the use of electronic evidence in quasi-criminal proceedings, the Bombay High Court (Aurangabad Bench) held that a wife can be compelled to furnish her voice sample for forensic examination in proceedings under the Protection of Women from Domestic Violence Act, 2005 ("PWDVA"). The Court allowed the husband's writ petition challenging a Magistrate's refusal to direct such a voice sample, and emphasized that the Magistrate has adequate procedural authority under Section 28(2) of the PWDVA.

Background of the Case

The case stemmed from a matrimonial dispute between the petitioner-husband and respondent-wife, who got married on 05.05.2009 and have a son from the marriage. Both parties are employed as teachers and reside separately following domestic discord.

The wife initiated proceedings under Sections 12, 18, 19, 20, and 22 of the PWDVA (Criminal M.A. No. 75 of 2013) against her husband and in-laws. In response, the husband raised a defence alleging that the wife was in an extra-marital relationship with another man. To substantiate this claim, the husband produced audio recordings allegedly containing conversations between the wife and the alleged paramour. These recordings were stored in a memory card and a compact disc.

Procedural History

During the pendency of the domestic violence proceedings initiated by the wife under the Protection of Women from Domestic Violence Act, 2005, the husband sought to rely on audio recordings that he claimed captured conversations between the wife and her alleged paramour. These recordings were extracted from a mobile phone and stored on a memory card and a compact disc. To support the authenticity and relevance of the recordings, the husband submitted a transcript of the conversation, a digital forensic report, and a certificate under Section 65B of the Indian Evidence Act.

In 2018, the husband moved an application before the Judicial Magistrate First Class at Parner, requesting verification of the contents of the compact disc against the transcript. The Magistrate allowed the request. The wife challenged this order before the Bombay High Court by filing Criminal Writ Petition No. 354 of 2018. However, her petition was dismissed by the High Court on 24.06.2019.

Later, the husband sought a further direction from the Magistrate to compel the wife to provide her voice sample so that it could be submitted to a forensic laboratory for comparison with the voice in the recordings. The wife opposed the request, arguing that it was unnecessary and legally impermissible. The Magistrate also rejected the husband's application, leading him to file Criminal Writ Petition No. 1782 of 2024 before the High Court challenging that refusal.

Issues Before the Court

The principal legal question before the Court was:
Whether, in proceedings under the PWDVA, a party (in this case, the Respondent-wife) can be compelled to provide her voice sample for forensic verification of audio recordings forming part of the evidentiary record?

Court's Findings

- In allowing the writ petition, Justice Shailesh P. Brahme delivered a detailed judgment addressing the legal and evidentiary issues surrounding the request for a voice sample in domestic violence proceedings.
- The Court first clarified that proceedings under the Protection of Women from Domestic Violence Act, 2005 (PWDVA) are quasi-civil and quasi-criminal in nature. Therefore, the parties involved cannot be treated as an informant and an accused in the strict sense of criminal jurisprudence. In this context, the Court held that the constitutional protection against self-incrimination under Article 20(3) of the Constitution of India was not applicable to the Respondent-wife, as she was not an accused facing criminal prosecution.
- The Court emphasized that Section 28(2) of the PWDVA empowers a Magistrate to lay down his or her own procedure for dealing with applications under Section 12 and sub-section (2) of Section 23. This procedural flexibility includes the power to direct a party to furnish a voice sample when it is necessary to verify the authenticity of electronic evidence placed on record.
- Justice Brahme further held that the audio recordings submitted by the husband, though derived from a memory card and compact disc, were supported by a certified transcript, a certificate under Section 65B of the Indian Evidence Act, and a digital forensic report confirming the integrity of the files. The Court concluded that this constituted prima facie material with probative value, and objections regarding the absence of the original recording device (such as the mobile phone) would go to the weight of the evidence not its admissibility.
- Respondent's argument that a family court had previously rejected the allegation of an extra-marital affair was also dismissed. The Court noted that the present audio evidence and expert testimony were not before the family court in the earlier matrimonial proceedings, and therefore the domestic violence court was not precluded from independently examining the issue based on the new material.

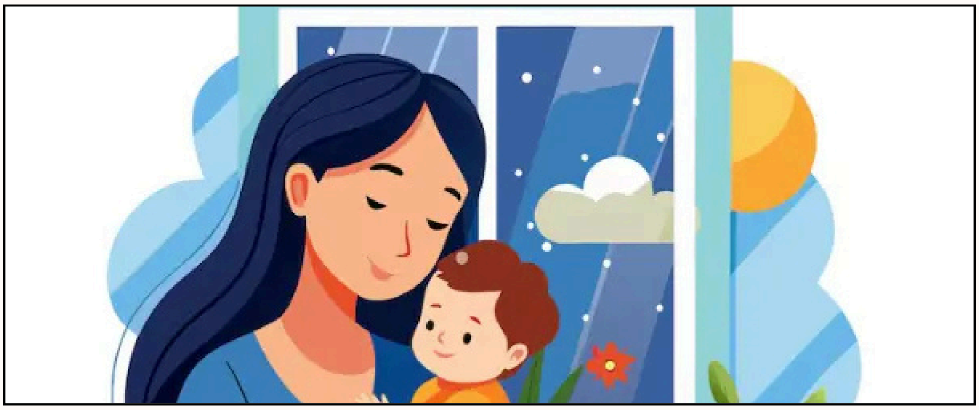
- The Court relied on binding precedent from the Supreme Court in Ritesh Sinha v. State of Uttar Pradesh[1], which held that a Magistrate has the power to direct an individual to provide a voice sample for forensic analysis, even in the absence of an express statutory provision in the Code of Criminal Procedure. It also referred to persuasive authority from the Gujarat High Court in Jil w/o Priyanka Choksi v. State of Gujarat[2], which upheld similar procedural powers in domestic violence cases.
- Accordingly, the High Court held that the rejection of the application seeking a voice sample was legally unsustainable and procedurally flawed. It concluded that compelling the Respondent-wife to provide her voice sample for forensic comparison was justified and necessary for a fair adjudication of the matter.

The Court therefore passed the following operative directions:

- The writ petition was allowed.
- The order passed by the Judicial Magistrate First Class, Parner, on 14 February 2024, rejecting the application for a voice sample, was quashed and set aside.
- The Respondent-wife was directed to furnish her voice sample within three weeks, which shall be immediately referred to a forensic laboratory for verification.
- The Petitioner-husband shall bear the expenses of the forensic process.
- Rule was made absolute in the above terms.

Conclusion

This judgment represents a critical development in the evolving interface between family law, domestic violence jurisprudence, and electronic evidence. It affirms the wide procedural latitude available to Magistrates under Section 28(2) of the PWDVA and reiterates that forensic verification of audio recordings is permissible and appropriate in such proceedings. The decision also highlights that rights under Article 20(3) are not applicable to respondents in domestic violence matters, and that technological evidence can be central to establishing or refuting key allegations like extra-marital relationships.



Single Mother's Maintenance Claims Upheld: Child Care Duty Not Voluntary Abandonment of employment

In a recent judgment delivered on 13th May 2025, the Delhi High Court addressed a revision petition filed by Praveen Kumar against an order passed by the Family Court, North District, Rohini Courts, Delhi, in MT. Case No. 287/2022. The case involves a dispute over the maintenance awarded to Poornima Arya, the respondent-wife, and their minor child. The Family Court had directed Praveen Kumar to pay a monthly interim maintenance of ₹7,500 each to the child and the respondent-wife. The High Court upheld the Family Court's decision, highlighting the importance of considering the actual income and needs of the parties when determining maintenance.

Background of the Case

The marriage between Praveen Kumar and Poornima Arya was solemnized on 12th January 2016, and a child was born out of the wedlock, who is currently in the custody of the respondent-wife. The parties have been living separately since July 2017. Poornima Arya alleged that she was subjected to cruelty and harassment by her husband, who is a practicing advocate. She was previously employed as a guest teacher with the Delhi Government but became unemployed upon the termination of her contractual employment on 8th December 2022. In response, she filed a petition under Section 125 of the Code of Criminal Procedure, 1973 (Cr.P.C.), seeking maintenance for herself and their minor child. The Family Court, in its order dated 21st October 2023, directed Praveen Kumar to pay a monthly interim maintenance of ₹7,500 each to the child and the respondent-wife. Dissatisfied with this order, Praveen Kumar filed a revision petition in the High Court.

Rival Contentions

Praveen Kumar argued that the petition under Section 125 Cr.P.C. was filed by Poornima Arya solely to harass and humiliate him in retaliation to an earlier order passed in a petition for restitution of conjugal rights under Section 9 of the Hindu Marriage Act. He claimed that he is a practicing advocate at District Court Jind, Haryana, earning only ₹10,000–₹15,000 per month and supporting his 72-year-old mother. He further contended that Poornima Arya is highly educated and was working as a teacher, earning ₹40,000–₹45,000 per month, including tuition work. He argued that the maintenance awarded is excessive and based on an incorrect estimation of his income.

On the other hand, Poornima Arya argued that Praveen Kumar is a well-established and financially stable practicing advocate before the High Court of Punjab & Haryana since 2010, and apart from a flourishing legal practice, he also earns income from other sources such as rental properties. She emphasized that he has no dependents other than the respondent and their minor son. She submitted that the Family Court, after a comprehensive evaluation of the documents placed on record and the petitioner's deliberate concealment of his true income, rightly assessed his notional income at ₹30,000/- per month and awarded a modest interim maintenance of ₹15,000/- per month for both the respondent and the child. She argued that this amount is reasonable considering the high cost of living in a metropolitan city like Delhi.

Legal Provisions and Judgments Relied Upon

The High Court relied on several legal provisions and judicial precedents to adjudicate the case. Section 125 Cr.P.C. deals with the maintenance of wives, children, and parents. It provides that a person with sufficient means who neglects or refuses to maintain his wife, minor children, or parents can be ordered by a Magistrate to make a monthly allowance for their maintenance. The court also referred to the Supreme Court judgments in Rajnesh v. Neha & Anr. (2021) 2 SCC 324 and Shailja v. Khobbana (2018) 12 SCC 199, which emphasize that mere capability to earn is not the same as actually earning, and being capable of earning alone is not a valid reason to reduce maintenance.

Analysis of the Court

The High Court noted that Poornima Arya was employed as a TGT until 2022, earning approximately ₹30,000/- per month. However, she had to resign due to the demands of single-handedly raising the minor child and the burden of long commuting hours. The court found this explanation reasonable and justified. The court also highlighted that the responsibility of caregiving to a minor child falls disproportionately upon the parent with custody, often limiting their ability to pursue full-time employment, especially in cases where there is no family support to take care of the child while the mother is at work. In such circumstances, the cessation of employment by the respondent cannot be viewed as voluntary abandonment of work, but as a consequence necessitated by the paramount duty of child care.
The High Court further observed that the Family Court had rightly considered the needs of the child and the standard of living to which the parties were accustomed while awarding interim maintenance. The court found no perversity or legal infirmity in the Family Court's assessment of the petitioner's notional income at ₹30,000/- per month.

Conclusion

The Delhi High Court upheld the Family Court's decision, emphasizing the importance of considering the actual income and needs of the parties when determining maintenance. The court remanded the matter back to the Family Court to reconsider the application for interim maintenance afresh, specifically taking into account the income affidavits and bank statements filed by both parties. The Family Court was directed to pass a reasoned order in accordance with the law within one month from the date of receipt of this order. As an interim arrangement, Praveen Kumar was directed to continue paying ₹7,500/- per month to Poornima Arya and ₹4,500/- per month to the minor child until the Family Court's final determination. The revision petition was disposed of accordingly.

ARTICLES

Karnataka Stamp (Amendment) Act, 2025: A Legislative Step Toward Digital Transition

Introduction

The Karnataka Stamp (Amendment) Act, 2025 has introduces significant changes to the Karnataka Stamp Act, 1957. These amendments aim to modernize the stamp duty framework by recognizing electronic documentation, digital signatures, and e-stamp technologies, aligning the Act with the Information Technology Act, 2000.

Key Amendments

1. Inclusion of Digital e-Stamp: Section 2(e) has been amended to include 'digital e-stamp' within the definition of 'impressed stamp,' granting legal validity to electronically stamped documents. Previously, "impressed stamp" was understood to mean only physical impressions on paper or adhesive stamps affixed to documents.
2. Recognition of Electronic Signatures: Section 2(f) now encompasses electronic signatures as defined under the Information Technology Act, 2000, expanding the definition of 'executed' and 'execution' to include digital endorsements.
3. Electronic Endorsements: Section 2(h)(ii) has been revised to recognize certificates or endorsements generated electronically with digital signatures. By recognizing electronic signatures, the amendment fosters ease of doing business, supports remote transactions, and contributes to the digitization of legal and commercial practices.
4. Electronic Payment of Stamp Duty: A new subsection (4) has been added to Section 10, empowering the State Government to prescribe procedures for the electronic payment of stamp duty to the Government Treasury and for indicating such payment on instruments.
5. Omission of Redundant Provisions: Section 10-A, which previously dealt with the validity of instruments executed on different kinds of stamp papers and circumstances in which such instruments could be treated as duly stamped, has been omitted to eliminate outdated or redundant provisions.

Comparative Table: Pre- and Post-Amendment Provisions

Provision	Before Amendment	After Amendment (2025)
Section 2(e)	Recognized only "impressed stamp"	Includes "digital e-stamp"
Section 2(f)	"Executed" meant only physical signature	Includes electronic signatures as per IT Act, 2000
Section 2(h)(ii)	Recognized physical endorsements	Includes electronically generated endorsements with digital signatures
Section 10(4)	No provision for e-payment of stamp duty	State Government may prescribe e-payment procedures
Section 10-A	Existing provision in the Act	Omitted to remove redundancy

Implications

The amendments introduced by the Karnataka Stamp (Amendment) Act, 2025, are pivotal in transitioning towards a digital economy. By recognizing electronic documents and signatures, and facilitating electronic payment of stamp duty, the Act enhances efficiency, reduces reliance on physical documentation, and aligns with national digitalization initiatives. The amendments mark a significant step in modernizing the state's legal framework concerning stamp duties. These changes streamline processes and ensure that the law keeps pace with technological advancements, fostering a more efficient and transparent system for all stakeholders.

India's E-Passport Revolution: A New Era in Secure and Seamless Travel

In a major leap toward digitizing travel documentation, India has begun rolling out chip-enabled e-passports, promising not just tighter security, but also faster immigration and global recognition. This marks a significant step under the government's broader Passport Seva Programme 2.0, aimed at transforming passport services across the country.

If you're planning to renew your passport or apply for one for the first time, get ready to experience a major shift in how your identity is protected during travel. India has officially begun rolling out the e-passport a next-generation travel document that blends the familiarity of the traditional passport with the power of digital security.

At first glance, the e-passport looks nearly identical to the regular one. But inside, it carries a secure electronic chip that stores your personal and biometric data, digitally signed and protected by encryption standards used around the world. This upgrade isn't just visual—it's a major leap forward in technology, safety, and convenience, built to bring India's passport system in line with global standards and future-ready infrastructure.

What is an E-Passport?

An e-passport is a next-generation passport that combines a traditional paper booklet with an embedded electronic chip. This chip uses Radio Frequency Identification (RFID) technology and is paired with an antenna embedded within the passport cover. The chip ensures that personal data is stored in an encrypted format, making it nearly impossible to tamper with. These passports are compliant with International Civil Aviation Organization (ICAO) standards, meaning they are recognized by over 120 countries
The chip stores the passport holder's:

- Name, date of birth, and passport number
- Digitally signed photograph
- Fingerprints and iris scan (where applicable)
- Digital signature for verification

What's New in 2025?

As of early 2025, India has initiated the e-passport rollout in key cities including Delhi, Chennai, Hyderabad, Goa, Jaipur, and Ranchi, with a full nationwide rollout expected by mid-year. This transition is part of India's commitment to enhancing citizen services and border security.
The India Security Press in Nashik, under the 'Make in India' initiative, is responsible for producing these next-gen passports using polycarbonate sheets, which are more durable and tamper-resistant than traditional materials.

Why E-Passports Matter

The advantages of switching to e-passports are both practical and powerful:

- **Enhanced Security**

The key advantage of an e-passport lies in its advanced data security. The passport holder's details are not only printed but also digitally stored and signed on the chip. This dual-layer of verification allows immigration authorities worldwide to authenticate data instantly, reducing the risk of forgery or identity theft.
The technology behind this is Public Key Infrastructure (PKI), a globally trusted security framework that ensures the integrity and authenticity of the data stored on the chip. This means that when scanned at immigration, an e-passport can:

- Prove that the data hasn't been tampered with
- Confirm that the passport was issued by a legitimate authority
- Detect counterfeit passports in real-time

- **Faster Immigration**

E-passports can be read by automated e-gates, enabling faster processing at immigration checkpoints—especially helpful for frequent flyers.

- **Global Recognition**

With ICAO compliance, Indian travelers enjoy smoother access and faster processing in international airports that support biometric travel documents.

- **Longer Lifespan**

Thanks to their polycarbonate build, e-passports are more resistant to water, wear, and bending, making them a sturdier travel companion.

How to Apply for an E-Passport

The process is straightforward and mirrors the traditional passport application steps:

1. Register at **passportindia.gov.in**
2. Complete the application form and pay the fee
3. Schedule an appointment at a Passport Seva Kendra or POPSK
4. Submit documents and biometrics during the appointment

Is It Mandatory to Switch to an E-Passport?

No, there is no requirement for current passport holders to replace their valid passports. All existing passports will remain valid until their expiry date.

The e-passport rollout is being implemented in phases, depending on the technical readiness of passport offices across India. Once a passport office is enabled for e-passport issuance, any new or renewed passport from that office will automatically be issued as an e-passport.

Thoughts

India's shift to e-passports marks a major milestone in digital governance and citizen services. With biometric authentication, encryption, and faster processing, the e-passport is not just a travel document it's a secure digital identity in your pocket.

Whether you're a frequent flyer or planning your first international trip, the e-passport is built for the future. Keep an eye out for the gold chip symbol—it means you're traveling smarter and safer.

Ready to apply? Visit the **Passport Seva Portal** to start your journey with India's next-generation passport.

RBI Notifies Reserve Bank Of India (Digital Lending) Directions, 2025

Introduction

The Reserve Bank of India (RBI) has issued the Digital Lending Directions, 2025, a comprehensive regulatory framework aimed at ensuring the orderly growth of digital lending while safeguarding the interests of borrowers and promoting responsible innovation in the credit ecosystem. These Directions consolidate and update prior instructions, while introducing additional safeguards aimed at fostering innovation with accountability in India's digital credit market.

Scope and Applicability

The Directions apply to all digital lending activities carried out by regulated entities (REs), which include commercial banks, co-operative banks, non-banking financial companies (NBFCs), housing finance companies, and all-India financial institutions.

These Directions govern every aspect of the digital lending process right from customer acquisition and credit underwriting to disbursal, recovery, data handling, and customer grievance redressal. They also apply to Lending Service Providers (LSPs) that perform one or more functions on behalf of an RE, as well as the Digital Lending Apps (DLAs) used by REs or their LSPs. Importantly, the Directions extend to REs partnering with multiple LSPs or operating through multiple DLAs, thereby creating a uniform regulatory framework across the ecosystem. The provisions are effective from 09.05.2025. Specific compliance timelines have also been prescribed, with some provisions becoming effective from June 15 and November 1, 2025.

Key Highlights

- **Due Diligence and LSP Oversight:**
    - REs must carry out enhanced due diligence before engaging with any Lending Service Providers (LSPs) and periodically review such relationships. The LSPs must comply with all RBI outsourcing and digital lending norms. Importantly, any outsourcing by REs does not absolve them of responsibility for borrower outcomes.

- **Fair and Transparent Borrower Engagement:**

The Directions mandate:

  - Disclosure of a Key Fact Statement (KFS) before loan disbursal.
  - Clear indication of Annual Percentage Rate (APR) and other charges.
  - Provide a "cooling-off period" (minimum one day) for borrowers to exit loans without penalty, except for a disclosed processing fee
  - No automatic increase in credit limits without explicit borrower consent.
- **Disbursal and Repayment Protocols:**
  - Loans must be disbursed directly to the borrower's account, with servicing and repayments routed through the RE's account—no pass-through via LSP accounts. Exceptions exist for specific regulatory end-uses and co-lending arrangements.
- **Data Protection and Technology Standards:**
  - Data governance is a core focus. REs and LSPs are required to:
    - Obtain explicit borrower consent before collecting or sharing personal data.
    - Limit access to mobile phone resources and store data only on Indian servers.
    - Publish a comprehensive privacy policy and disclosures of third parties accessing borrower data.
    - Storage of all personal data within servers located in India
    - Comply with RBI's cybersecurity standards.
    - REs remains responsible for the actions and data practices of their LSPs and DLAs.
- **Digital Lending Apps (DLAs) and Reporting:**
  - All loans including short-term or deferred payments must be reported to Credit Information Companies (CICs). REs must report all DLAs (owned or operated by LSPs) on RBI's Centralised Information Management System (CIMS) portal by June 15, 2025. A public directory of DLAs will be maintained by RBI.
- **Default Loss Guarantee (DLG) Framework:**
  - DLG arrangements—where LSPs guarantee part of the RE's loan losses—are allowed with safeguards:
    - DLG providers must be companies registered under the Companies Act.
    - Cap of 5% of the disbursed loan portfolio.
    - Permissible forms: cash, fixed deposit with lien or bank guarantee
    - No revolving credit or credit card DLGs.
    - DLG must not substitute robust credit underwriting.
- REs must invoke DLGs within 120 days of default and cannot reinstate a guarantee once invoked. All such arrangements must be transparently disclosed on the LSP's website.
- **Customer Redressal and Accountability:**
- Borrowers can escalate complaints unresolved within 30 days to the RBI's Complaint Management System or file written complaints with RBI's Chandigarh office. REs remains fully accountable for customer grievances arising from the acts of their LSPs.

Conclusion

The 2025 Directions mark a significant regulatory leap to safeguard borrowers and bring uniformity in digital lending practices. By enhancing data governance, curbing mis-selling, regulating LSP engagements, and ensuring borrower-friendly terms, the RBI aims to uphold integrity and public confidence in India's digital credit infrastructure.

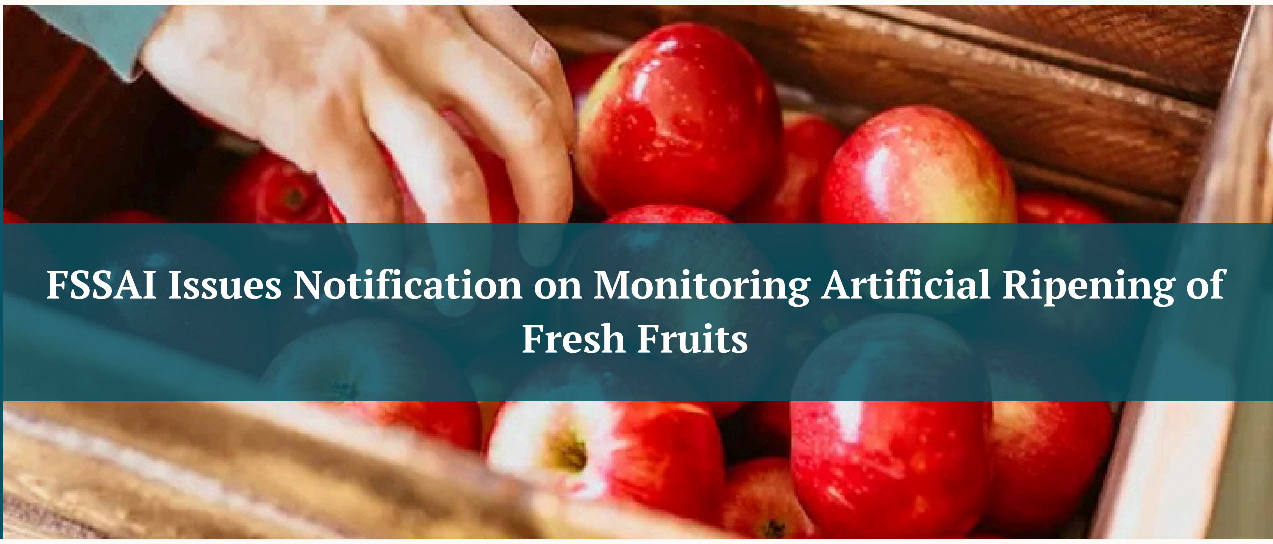
FSSAI Mandates Closure Reports for Expired Food Business Licenses and Registrations

In a move seen to tighten regulatory compliance in the food sector, the Food Safety and Standards Authority of India (FSSAI) has mandated the submission of closure reports for all food business licenses and registrations that have expired. This directive aims to ensure that the Food Safety Compliance System (FoSCoS) accurately reflects the operational status of Food Business Operators (FBOs) and that outdated or inactive licenses do not remain in the system without proper justification or closure.

This new requirement was formalized through a user manual issued by FSSAI on 16th May 2025. It outlines the process FBOs must follow to submit their closure reports after their license or registration expires. The directive is part of FSSAI's broader digital compliance framework designed to bring greater transparency, accountability, and efficiency to food safety oversight.

According to the manual, FBOs are required to log into their FoSCoS accounts and navigate to the 'Procedures' tab under the 'File Your Response' section. Here, they can select the relevant option to initiate the closure reporting process. The manual details three available pathways for response submission, depending on whether the FBO is renewing their license, surrendering it, or clarifying its non-renewal.

This requirement is grounded in the regulatory provisions of the Food Safety and Standards Act, 2006, and the FSS (Licensing and Registration of Food Businesses) Regulations, 2011. These legal frameworks mandate that food businesses operate only under valid licenses or registrations. The new closure reporting mechanism ensures that the records maintained by FSSAI are updated in real time and reflect only active businesses.



FSSAI Issues Notification on Monitoring Artificial Ripening of Fresh Fruits

In a recent move to ensure food safety and quality, the Food Safety and Standards Authority of India (FSSAI) has issued a notification dated 16 May 2025, addressing the widespread issue of unauthorized artificial ripening of fruits. The notification, numbered DAUIOYINYOSTAC RCD-02005/10/2024-Regulatory-FSSAI-Part(2)[E-13796], highlights the use of prohibited chemical agents like Calcium Carbide and Acetylene gas, which pose serious health risks to consumers. This action highlights the collective responsibility of all stakeholders across the food supply chain, including regulators, food business operators, and consumers, in maintaining the integrity of food products available in the country.

The notification specifically targets the artificial ripening of fruits, particularly mangoes, bananas, and papayas, which are widely consumed and commonly subjected to such practices. In an attempt to accelerate the ripening process and meet growing consumer demand, some Food Business Operators (FBOs) have resorted to using unauthorized or prohibited chemical agents. Calcium Carbide, commonly referred to as "masala," is still being used by some FBOs due to its low cost and ease of maintenance. However, its use as a ripening agent is strictly prohibited under Regulation 23.5 of the Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011. The use of Calcium Carbide poses serious health hazards, including mouth ulcers, gastric irritation, and even cancer due to its carcinogenic properties.

Another concern highlighted in the notification is the use of ethephon solution for artificial ripening. While ethephon can be used to generate ethylene gas, FSSAI's "Guidance Note on Artificial Ripening of Fruits Ethylene gas – A Safe Fruit Ripener" clearly states that it may only be used in accordance with the prescribed Standard Operating Procedure (SOP). Direct contact between ethylene (in powder or liquid form) and fruits or vegetables is strictly prohibited. The notification also notes the prevalence of other malpractices, such as colouring or coating fruits with synthetic colours or non-permitted wax.

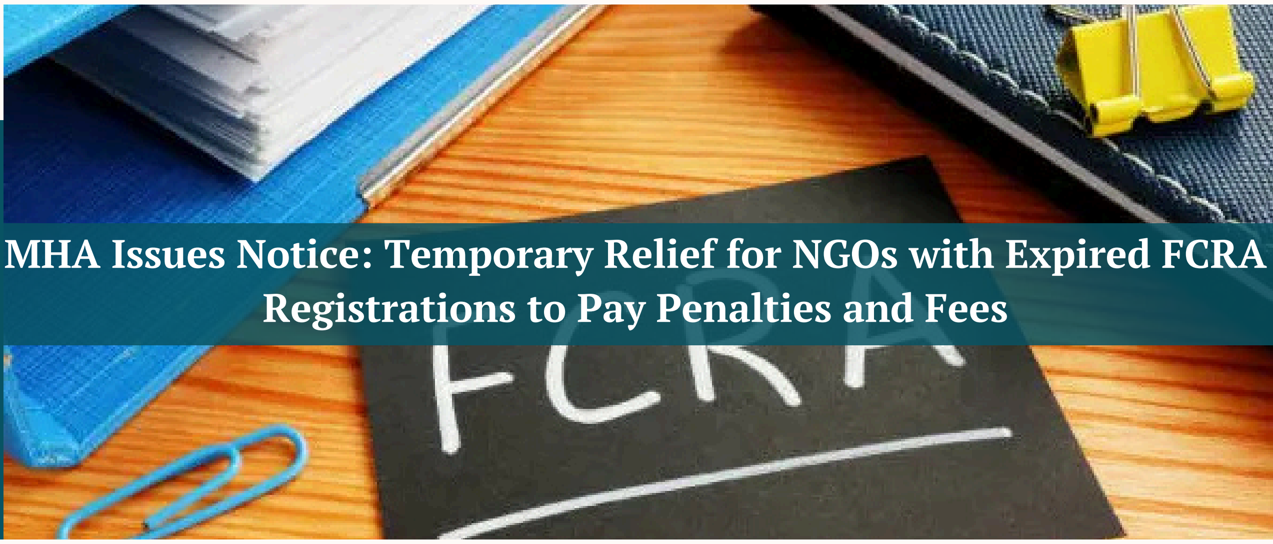
To combat these issues, the notification requests all Commissioners of Food Safety of States/UTs and Regional Directors of FSSAI to intensify inspections and maintain strict vigilance over fruit markets and storage facilities within their jurisdictions. Special enforcement drives may be undertaken to curb the illegal use of Calcium Carbide or other non-permitted ripening agents, wax, and synthetic colours. These drives should cover godowns where seasonal fruits are stored, particularly those where substances like "masala" are suspected to be used for ripening. The presence of Calcium Carbide on the premises or stored alongside crates of fruits may serve as circumstantial evidence against the FBO, indicating involvement in the artificial ripening of fruits using prohibited substances. This may serve as grounds for initiating prosecution under Section 59 to be read with Section 3(1)(zz)(i) or Section 3(1)(zz)(vi) of the FSS Act, or any other applicable provision, for the sale of unsafe food products.

In addition to inspections, Enforcement Officials may use strip paper tests to detect the presence of acetylene in godowns or ripening chambers. The presence of acetylene can be detected by keeping filter paper strips dipped in a reagent solution. A change in the colour of the filter paper strip to red-brown or brown-violet indicates the presence of acetylene gas. This qualitative test can be performed at the godown level, as no residue is left on or in the fruit, making it impossible to carry out the test directly on the fruit.

The notification, effective immediately, is a significant step towards ensuring food safety and quality in India. By addressing the use of unauthorized ripening agents and other malpractices, FSSAI aims to protect consumers from the potential health hazards associated with artificially ripened fruits. The collective effort of regulators, food business operators, and consumers is crucial in upholding the integrity of food products and maintaining a safe and healthy food supply chain.

Conclusion

The FSSAI's recent notification is a clear indication of the authority's commitment to safeguarding public health by regulating the food industry. By prohibiting the use of harmful ripening agents and ensuring strict compliance, the notification aims to eliminate unsafe practices and promote transparency in the food supply chain. This move is expected to have a positive impact on consumer health and reinforce the importance of food safety regulations in India.



MHA Issues Notice: Temporary Relief for NGOs with Expired FCRA Registrations to Pay Penalties and Fees

Introduction

The Ministry of Home Affairs (MHA) in India has recently issued a public notice addressing a critical issue faced by numerous NGOs and associations whose Foreign Contribution (Regulation) Act (FCRA) registration has expired. This notice provides a temporary solution to allow these entities to pay compounding penalties and fees, ensuring compliance with the law and avoiding penal actions. This article delves into the background of the FCRA, the specific provisions under which the notice has been issued, and the implications for affected organizations.

Background of the FCRA

The Foreign Contribution (Regulation) Act, 2010 (FCRA, 2010) is a crucial legislation administered by the Ministry of Home Affairs. It regulates the receipt and utilization of foreign contributions by NGOs, voluntary organizations, and associations in India. The primary objective of this act is to ensure that foreign funds are used for bonafide activities and to prevent misuse. The act is complemented by the Foreign Contribution (Regulation) Rules, 2011 (FCRR, 2011), which provide detailed guidelines for its implementation.

Provisions and Applicability

Under Rule 12(5) of the FCRR, 2011, no person whose certificate of registration has ceased to exist shall receive or utilize foreign contributions until the certificate is renewed. This means that NGOs and associations whose FCRA registration has expired are unable to make payments for compounding and fees from their FCRA bank accounts. The recent public notice by the MHA addresses this issue by allowing these entities to pay the required penalties and fees through the FCRA online portal using the “SBI Branch Payment” option.

Object and Purpose of the Notice

The notice aims to provide a temporary solution for NGOs and associations whose FCRA registration has expired. It allows them to pay the compounding penalties and fees from their FCRA bank account held with the State Bank of India, New Delhi Main Branch. This measure ensures that these entities can regularize their status without violating the FCRA, 2010. Any other receipt or utilization of funds from the FCRA bank account during this period would be considered a violation and would be liable for penal action.

Conclusion

The public notice issued by the Ministry of Home Affairs is a significant step towards ensuring compliance with the FCRA, 2010. It provides a practical solution for NGOs and associations facing difficulties due to expired registrations. By allowing these entities to pay the necessary penalties and fees, the MHA is facilitating their compliance with the law and promoting a transparent and accountable environment for foreign contributions in India. This notice underscores the government's commitment to maintaining legal standards while supporting the operations of non-profit organizations.

Goa Government Launches Support Scheme for Persons with Benchmark Disabilities Requiring High Support

The Government of Goa has introduced a comprehensive support scheme titled "Scheme for Persons with Benchmark Disability Requiring High Support," aimed at enhancing the quality of life for individuals with significant disabilities. This initiative, notified under the Department for Empowerment of Persons with Disabilities, seeks to provide financial assistance and support for the independent living and well-being of beneficiaries. The scheme, published in the Official Gazette on May 15, 2025, is a significant step towards promoting economic self-reliance among persons with disabilities.

The scheme is notified under the powers conferred by the Department for Empowerment of Persons with Disabilities, as per the Rights of Persons with Disabilities Act, 2016. This Act aims to promote and protect the rights of persons with disabilities and ensure their full participation in society. The scheme is designed to provide financial assistance to persons with benchmark disabilities requiring high support, as defined under Section 38 of the Act.

To be eligible for financial assistance under this scheme, applicants must meet specific criteria. They must be bona fide residents of Goa by birth, marriage, or through continuous domicile of at least 15 years. Applicants must also have a benchmark disability requiring high support, certified by a competent authority. Additionally, they must belong to the Economically Weaker Section (EWS) category as per the Government of India or State Government's notified criteria and not be receiving similar financial assistance from other sources for the same purpose.

The financial assistance provided under the scheme includes a one-time payment of ₹40,000 (Rupees forty thousand only). This amount must be utilized exclusively for assistive technologies, personal care assistance services, and educational or vocational training support. Beneficiaries are required to submit proof of utilization, such as receipts or invoices, within 90 days of receiving the financial assistance.

The financial assistance will be cancelled or withdrawn if the information furnished by the applicant is found to be incorrect or incomplete, or if the assistance has been obtained by suppressing any material facts. Assistance will also be cancelled if the applicant fails to submit proof of utilization within the prescribed timeframe. Funds will be recovered if found to be misused or used for purposes other than those specified in the scheme.

The Department will conduct periodic audits to ensure proper utilization of funds. Beneficiaries may be required to participate in the audit process by providing necessary documentation. In cases of misuse or non-compliance, the Department may disqualify the beneficiary from future assistance under the scheme.

The Director shall be the final authority concerning the interpretation of this scheme. The Government may amend or relax any of the provisions of this scheme for valid and sufficient reasons, including inflation adjustments for financial assistance.

This scheme reflects the Government of Goa's commitment to supporting persons with disabilities and ensuring their economic self-reliance and well-being. By providing financial assistance and ensuring proper utilization of funds, the scheme aims to enhance the quality of life for beneficiaries and promote their inclusion in society. The initiative is a significant step towards creating a more inclusive and supportive environment for persons with disabilities in Goa.

FSSAI's New Move: Restricting Registration for Key Food Products to Boost Safety

On May 1, 2025, the Food Safety and Standards Authority of India (FSSAI) took a significant step towards enhancing regulatory compliance in the food industry by issuing a consultation paper. This paper proposes the restriction of the registration facility for certain food products and categories, aiming to ensure the safety and quality of these products in the market. The move comes after a series of notifications and orders that have shaped the regulatory landscape for food business operators (FBOs) in recent years.

Background of the Proposal

The journey towards this proposal began on October 17, 2024, when FSSAI issued a Gazette Notification omitting the mandatory BIS (Bureau of Indian Standards) Certification for certain food products. These products included infant nutrition foods, condensed milk, milk powder, packaged drinking water, and mineral water. Subsequently, on November 29, 2024, FSSAI classified packaged drinking water and mineral water under 'High Risk Food Categories' and mandated pre-license/pre-registration inspection for these manufacturers and processors. Additionally, as per the RBIS order dated May 2, 2022, annual inspections and third-party audits were made mandatory for high-risk category manufacturers and centrally licensed manufacturers.

Current Norms and Regulations

Currently, Food Business Operators (FBOs) manufacturing the specified products are eligible for either FSSAI Registration or FSSAI License (State/Central), depending on their eligibility. Registration involves fewer compliance obligations compared to Licensing. For instance, registered FBOs are not required to conduct mandatory product analysis, especially for safety parameters, and upload test reports on the FoSCoS portal every six months. They are also exempt from filing annual returns and do not need qualified technical personnel to supervise the production process. Moreover, there is no mandatory annual third-party audit for registered FBOs, and they only need to comply with basic hygiene and sanitary standards.

However, registered FBOs may lack the technical, financial, and infrastructural capabilities to ensure safe production, especially for technically demanding products like infant foods and packaged drinking water. This gap in capabilities has prompted FSSAI to propose stricter regulations.

Proposal for Restriction of Registration Facility

The consultation paper proposes that no new registrations and renewals of existing registrations will be allowed for manufacturing certain specified food products. Only State or Central Licenses will be permitted for these products. The categories affected include sweetened condensed milk, milk powders and cream powder, infant formulae and follow-up formulae, complementary foods for infants and young children, packaged drinking water, mineral water, and non-carbonated water-based beverages.

As of March 31, 2025, the active registrations for these categories are as follows: 935 for sweetened condensed milk, 885 for milk powders and cream powder, 1263 for infant formulae and follow-up formulae, 2451 for complementary foods for infants and young children, 1931 for packaged drinking water, 2444 for mineral water, and 1984 for non-carbonated water-based beverages.

Transition Plan for Existing Registered FBOs

To facilitate the transition, FSSAI will initiate a special drive to convert existing registered FBOs to the License category. A reasonable transition period of six months will be provided to allow FBOs to shift to the Licensing category and utilize existing packaging and labelling materials. After the transition period, modifications in the FoSCoS portal will be made to remove these products from the Registration Certificates (RC) to prevent further manufacturing under RC.
Additionally, pre-license inspection will be mandatory for manufacturers of foods for infant nutrition (Food category 13.1 & 13.2) and non-carbonated water-based beverages (Food category 14.1.4.2). This measure aims to ensure that only qualified and capable manufacturers can produce these critical food products.

Stakeholder Comments and Suggestions

FSSAI is inviting stakeholders to submit their comments and suggestions on the proposal through a Google Form.
The form can be accessed via the following link: [Google Form URL](https://docs.google.com/forms/d/e/1FAIpQLSeqLyxP_4klSDf3c4nm_rIzeZukYdUcKsIzX8QiaF0dJlOEMg/viewform?usp=dialog) or the short URL: https://forms.gle/JxiV1dsSz5BBd6uNA. Stakeholders are requested to provide their inputs within 30 days from the date of issuance of this notice.
This consultation paper reflects FSSAI's commitment to strengthening regulatory compliance and ensuring the safety and quality of food products in India. By proposing stricter regulations and a transition plan, FSSAI aims to enhance the capabilities of food business operators and protect consumer interests. Stakeholders are encouraged to provide their valuable inputs to shape the future regulatory framework for these critical food categories.

INDIALAW IN NEWS

Supreme Court Rejects Telcos' AGR Relief Plea

Supreme Court Rejects Telcos' AGR Relief Plea

AGR Verdict: What's Next for Indian Telcos?

Following the Supreme Court's rejection of the telecom companies' AGR relief plea, our Managing Partner **Shiju Pv** joined **CNBC-TV18** to break down the implications.

Shiju emphasized that the government's reactive stance leaves the telecom industry without a clear policy direction, relying instead on court decisions to guide the future.

Watch the full segment here: **https://lnkd.in/g-EzEj6A**

INDIALAW IN NEWS

Vodafone Idea & Government Support, What Happens If Govt Withdraws Support From Vodafone Idea?

Vodafone Idea & Government Support

What Happens If Govt Withdraws Support From Vodafone Idea?

Our Managing Partner, **Shiju Pv**, shared critical insights on **CNBC-TV18** regarding Vodafone Idea's warning to the government—without support, the company may not survive beyond FY26, rendering the government's stake worthless.

Shiju highlights the legal and regulatory implications of this scenario and what it could mean for stakeholders.

Watch the full discussion: **https://lnkd.in/gAgsXZxy**

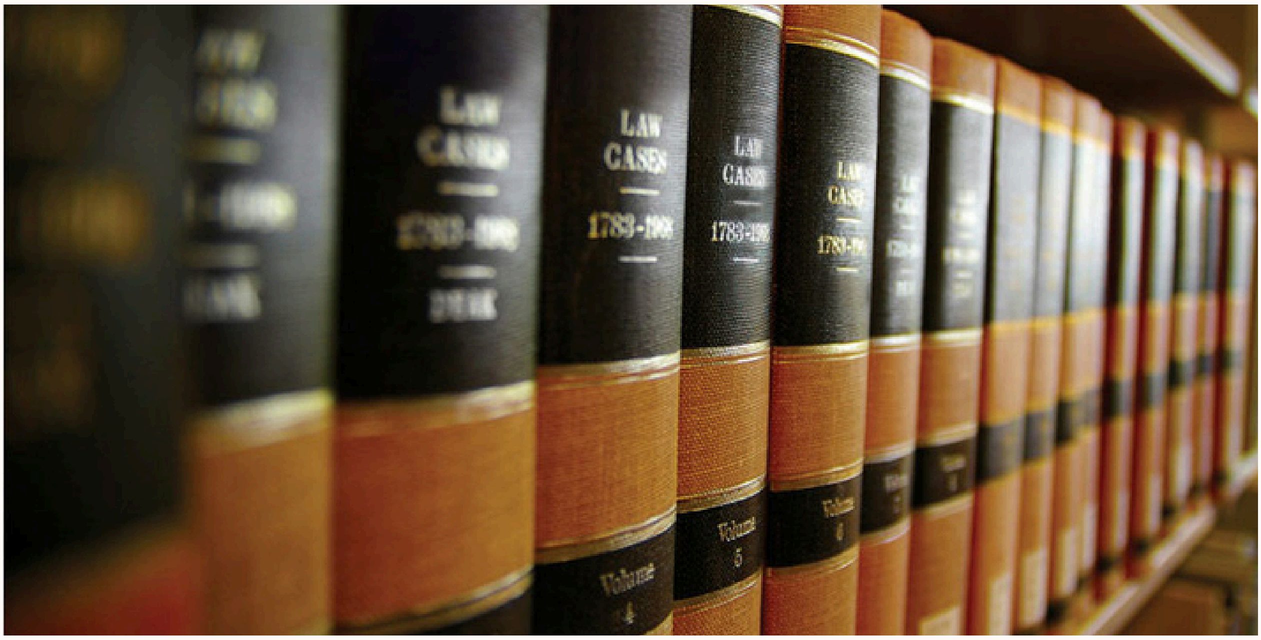
INDIALAW IN NEWS

Nominee vs Legal Heir: Who gets insurance money after death? Here's what Indian law says

In a recent article published by **The Economic Times** titled "Nominee vs Legal Heir: Who gets insurance money after death? Here's what Indian law says", Our Partner **Rahul Sundaram** shares his expert insights.

Rahul Opined "Under Section 39(7) of the Insurance Act, 1938, an insurance company is liable to pay the insurance proceeds to a validly nominated beneficiary. However, the nominee holds the amount in trust for the legal heirs of the deceased. As per personal laws, such as those applicable to a Hindu male dying intestate, the estate devolves equally upon Class I heirs—namely, the mother, wife, and children. The same principle applies to nominations under fixed deposits. If a nominee refuses to release the funds to the rightful heirs, the legal heirs may seek remedy through a court of law

Read complete article here – **https://lnkd.in/gVQunDNR**



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