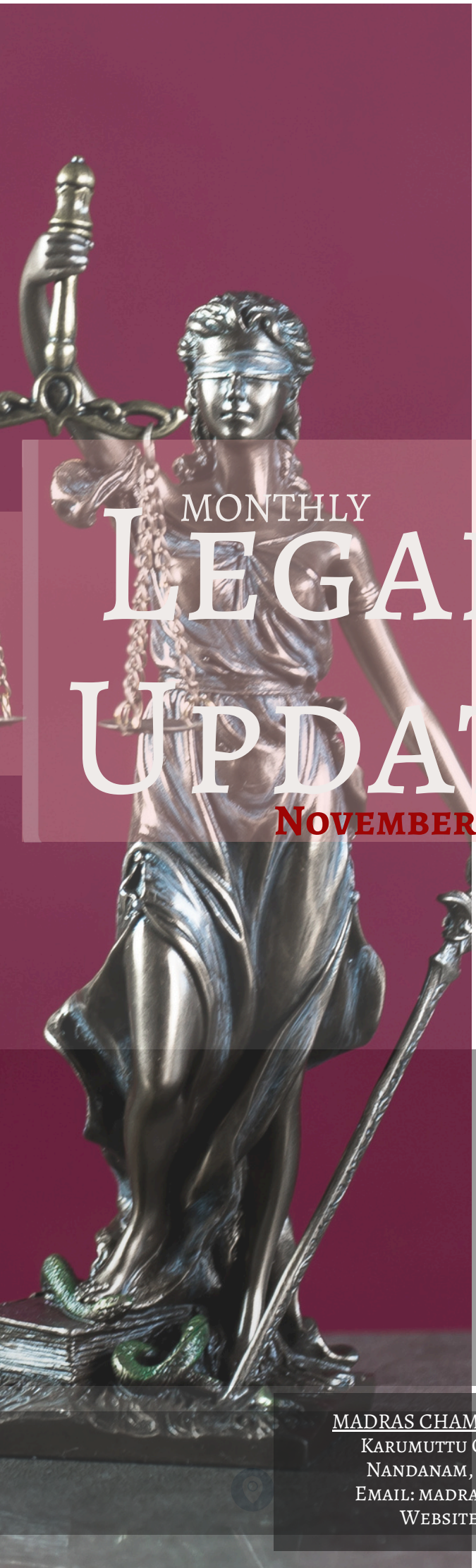

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MONTHLY

LEGAL UPDATE

November|2025

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Recent Legal Development Insights

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1.Delhi High Court Clarifies: Specific Arbitration Jurisdiction Clauses Override Subsequent Venue Agreements by Eshwar Sabapathy

In Precitech Enclosures Systems Pvt Ltd v. Rudrapur Precision Industries [O.M.P.(I) (COMM.) 305/2023], the Delhi High Court clarified how jurisdiction works when a contract contains both an exclusive jurisdiction clause and a separate agreement on where arbitration will be held. The parties' rent agreement stated that only courts in Rudrapur, Uttarakhand, would handle any applications under the Arbitration and Conciliation Act, 1996. Later, through email, they agreed to hold arbitration proceedings in Delhi. Based on this, Precitech filed a Section 9 petition before the Delhi High Court seeking interim relief. The Court rejected the petition, holding that the original clause giving exclusive jurisdiction to Rudrapur courts would prevail. The Court noted that because the clause specifically covered arbitration-related applications, it could not be overridden by a later arrangement merely fixing the arbitration venue in Delhi. The decision reaAirms that when parties expressly designate a particular court for considering disputes regarding the arbitration matter, that choice remains binding even if they later agree to conduct proceedings elsewhere.

2.When does the time limit to challenge an arbitration award start? by Eshwar Sabapathy

The Supreme Court answered the above question in the case State of Maharashtra vs. Ark Builders Pvt. Ltd. reported in (2011) 4 SCC 616. The State of Maharashtra opted to challenge the arbitral award passed against it. Ark Builders, the respondent, claiming the challenge to the award as time barred argued that the time limit for limitation should start from the day the award was made, or at least from the day the State came to know about it. The State argued that the time limit should only start once they received an oAicial, signed copy of the award.

The Supreme Court said:
The time limit to challenge an arbitration award starts only when the party receives the signed copy of the award, as required by law. Just hearing about the award or getting an informal copy is not enough. This ruling protects parties from losing their right to challenge an award before they oAicially receive it. The law links the limitation period for challenge of award to the formal delivery of the signed award.

3.Typographical Error in Statutory Demand Notice Invalidates Claim under Section 138 of the Negotiable Instruments Act, 1881 by Eshwar Sabapathy

In Kaveri Plastics v. Mahdoom Bawa Bahruden Noorul, the Supreme Court confirmed that statutory demand notices must be in strict compliance with Section 138 of the Negotiable Instruments Act, 1881. The case involved a dishonoured cheque of INR 1 lakh, but the statutory demand notice inadvertently demanded INR 2 lakhs. The Supreme Court ruled that even a typographical error or an unintentional mistake in the cheque amount will invalidate the notice. The Supreme Court ruled that the statutory notice can only demand the cheque amount, excluding additional claims such as interest or costs. Because the demand notice mentioned the wrong amount, the supplier's right to file a complaint under Section 138 was lost. The decision highlights the importance of strict compliance with the provisions of Negotiable Instruments Act. Even a minor mistake in stating the cheque amount can defeat the entire case.

4.Supreme Court Revisits Guidelines for Compounding by Eshwar Sabapathy

In the case of Sanjabij Tari v. Kishore S. Borkar reported in [2025 LiveLaw (SC) 952], the Supreme Court has updated the rules on settling cheque bounce cases under Section 138 of the Negotiable Instruments Act. Cheque bounce cases are flooding the courts. To speed up resolution and encourage early settlements, the Court has relaxed the earlier cost structure to a more practical scale. New Guidelines for Compounding: Before trial/ evidence starts - Settle with no extra cost. After defence evidence but before judgment - Pay cheque amount + 5% as cost. During appeal/revision in Sessions/High Court - Pay cheque amount + 7.5% as cost. At Supreme Court stage - Pay cheque amount + 10% as cost. The revised guidelines will apply from November 1st, 2025. The Court has made it cheaper and easier to settle cheque bounce disputes quickly, cutting down litigation costs.

5.The Employees' Provident Fund Organisation (EPFO) launched the Employees' Enrolment Scheme (EES) ,2025

Union Minister for Labour & Employment and Youth Affairs & Sports, Dr. Mansukh Mandaviya, launched the Employment Enrollment Scheme (EES), 2025, on November 1, 2025, during the 73rd Foundation Day celebrations of the EPFO in New Delhi. Operational until April 30, 2026, the scheme's core objective is to significantly expand organized social security coverage by bringing previously unenrolled, eligible workers under the Employees' Provident Fund Organisation (EPFO) umbrella.

This scheme offers a simplified, time-bound opportunity for employers to regularize past records with minimal financial and legal burden, encouraging transparency and universal EPF inclusion. Eligible employees include those who joined an establishment between July 1, 2017, and October 31, 2025, and were not enrolled earlier. To incentivize participation, the scheme drastically reduces the standard penalty for non-compliance, requiring employers to pay a nominal lump-sum Penal Damage of only Rs. 100. Critically, the employee's share of the past provident fund contribution will be waived if it was never deducted from their wages. Furthermore, employers who utilize the EES may also be eligible for benefits under the Pradhan Mantri-Viksit Bharat Rojgar Yojana

6. SEBI Caution on Unregulated 'Digital Gold/E-Gold Products'

The Securities and Exchange Board of India (SEBI) issued a public caution on November 8, 2025, against investing in unregulated 'Digital Gold/E-Gold Products' offered through various online platforms and apps. SEBI clarified that these products are not classified as securities or regulated as commodity derivatives, placing them entirely outside its regulatory purview. This lack of oversight means investors in digital gold are not protected by the formal investor protection and grievance redressal mechanisms available for regulated instruments like Gold ETFs or Electronic Gold Receipts (EGRs). SEBI warned that these unregulated products entail significant counterparty and operational risks, urging investors to exercise caution and prefer regulated avenues for gold exposure

7.Madras HC on Income Tax Reassessment Approval After 3 Years

The Madras High Court has recently affirmed that prior approval from the Principal Chief Commissioner of Income Tax or Principal Director General is mandatory for issuing a reassessment notice under Section 148 of the Income Tax Act when more than three years have elapsed from the end of the relevant assessment year. The court emphasized that under the amended provisions of the Finance Act, 2021, the requirement for sanction from the highest authority (Principal Chief Commissioner/Principal Director General) in such cases is a crucial statutory safeguard under Section 151. A notice issued without this specific, higher-level approval is considered void and non est in law, thereby strengthening taxpayer protection against arbitrary delayed reassessments.

8.NCLAT Partially Upholds CCI Order Against WhatsApp (Meta): Data-Sharing Ban Lifted, Fine Sustained

the National Company Law Appellate Tribunal (NCLAT) delivered a significant ruling in the long-running antitrust case against WhatsApp (owned by Meta Platforms). The tribunal lifted the five-year data-sharing ban earlier imposed by the Competition Commission of India (CCI), allowing WhatsApp to resume integration of user data with its parent company Meta, but it upheld the ₹210 crore (approximately USD 25.4 million) fine for abuse of dominant position. The NCLAT reasoned that while a blanket prohibition on data-sharing was disproportionate, WhatsApp's conduct—particularly its 2021 privacy-policy rollout—had indeed leveraged its market dominance to undermine user consent and fair competition. This decision is pivotal in shaping global data-governance and competition law debates, as it balances consumer-privacy protection with digital-market innovation. It also reflects India's growing alignment with international regulatory trends toward ex-ante oversight of Big Tech entities, signaling to corporate actors that compliance and transparent data practices are now central to sustainable digital-business strategies.

6. Delhi High Court Restricts CCI's Power to Levy Interest Without Due Process

In a significant ruling, the Delhi High Court in CCI v. Geep Industries held that the Competition Commission of India cannot impose interest retrospectively or without strictly following the statutory procedure under the Competition Act and the 2011 Recovery Regulations. The Court emphasised that such actions are not mere procedural lapses but substantive violations of constitutional guarantees under Articles 14, 19, 21, 265, and 300A.

The judgment clarifies that interest on penalties becomes payable only after non-compliance with a validly issued Demand Notice under Regulation 3. Since Regulations 3 and 5 create a sequential, mandatory framework, failure to issue a demand notice in Form I deprives the CCI of any authority to levy interest. The Court also rejected the use of restitution principles to retrospectively activate the triggering event for interest. Noting that neither the Competition Act nor the 2011 Regulations provide for automatic accrual of interest, the Court held that the CCI's action, imposing interest without first serving a demand notice—was legally unsustainable. Without such notice, no default can arise, and consequently, no interest can be imposed.

Highlights of Tamil Nadu

Tamil Nadu Resists Centre's Social Security Code Amid Fears of Dilution of Welfare Boards

The Tamil Nadu government is facing intense criticism for its hesitation to accept the Centre's Code on Social Security, as labour activists and unions argue that it would endanger the state's current network of welfare boards for unorganised workers. These existing boards — covering sectors like plantation, fisheries, leather, and domestic work — number around 36, and critics warn that the new code would collapse them into just three broad categories, significantly diluting sector-specific protections. In response to these concerns, the state is now considering an amendment to its Manual Workers Act to incorporate a "safety clause" that would prevent these boards from being abolished or merged. The debate reveals a fundamental tension between centralization under the new code and preserving Tamil Nadu's long-established welfare structures for vulnerable workers.

Major Industrial Investment and Employment Push in Tamil Nadu

The 'TN Rising' Investors Conclave, recently hosted in Coimbatore and presided over by Chief Minister M. K. Stalin, has yielded a monumental boost to industrial development within Tamil Nadu. The event culminated in the signing of 158 Memorandums of Understanding (MoUs) across diverse economic sectors, successfully securing investments totaling an impressive ₹43,844 crore. These agreements are strategically designed to decentralize economic growth, with projects planned across various districts, and are projected to generate substantial employment, creating 100,709 new jobs for the state's populace. This capital mobilization is integral to the government's steadfast commitment to fostering growth, with an overarching goal of transforming Tamil Nadu into a USD One Trillion economy by 2030. This landmark achievement follows earlier successful investment initiatives, including previous state conclaves and a recent European tour, which collectively demonstrated the state's potential and further solidified its standing as the second-largest economy and a leading manufacturing and export hub in India. The sustained effort in attracting capital confirms Tamil Nadu's position as a preferred destination for domestic and international investment.

Legal Impossibility of De-Novo Remand Without Setting Aside Merits

The Madras High Court dealt with a batch of Section 34 petitions that had been remanded by the Division Bench solely to conduct a de-novo Section 34 review in light of the Supreme Court's decisions in NHAI v. M. Hakeem and the pending reference in Gayatri Balasamy. The single judge noted a serious legal impossibility: the Division Bench had remanded the matters without setting aside the earlier findings on merits, making a de-novo hearing unworkable because the original findings continue to stand. The core issue was whether a de-novo remand is legally valid when the appellate court has not reversed or vacated the original judgment — especially given that remand powers under Order 41 Rules 23, 23-A, and 25 CPC require the appellate court to reverse or address the merits. The court highlighted that the Division Bench's consent remand orders created a legal dead-end, as the Section 34 court cannot rehear a matter whose findings remain intact.

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INDIA'S NEW LABOUR CODE REGIME
BY SUBATHRA MYLSAMY

Introduction

On 21 November 2025, the Government of India activated the long-awaited four labour codes—Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions (OSH) Code, 2020. Together, these consolidate 29 central labour laws into four streamlined legislations, marking a structural shift in India's labour governance. For corporates, this transition is not a cosmetic change—it demands a recalibration of HR, payroll, compliance, workforce management, and operational policies.

Major shifts that the Codes bring

1.Universal Wage Structure & 50% CTC Rule

- A major reform is the standardised definition of "wages," requiring that basic wages constitute at least 50% of an employee's CTC. This directly influences PF, gratuity, bonus calculations and other statutory payouts.

2.Universal Minimum Wage

- The national floor wage will apply uniformly across sectors, reducing ambiguity and enforcing wage parity. Corporate HR teams must benchmark salaries to ensure compliance across all states and categories.

3.Mandatory Appointment Letters

- Every employee must now receive a written appointment letter detailing role classification, wage structure, work hours, leave entitlements, benefits and service conditions.

4.Gratuity After One Year, Including Fixed-Term Employment

- The Codes extend gratuity eligibility to fixed-term employees after one year of service. This increases long-term financial liability and requires appropriate provisioning and budgeting by employers.

5.Work-from-Home, Work Hours, and Overtime Clarity

- The OSH Code recognises work-from-home arrangements and clearly defines standard working hours, overtime compensation and rules around night shifts—especially for women employees. Now, provisions relating to employee travel-to-work and related safety considerations must also be incorporated into HR manuals.

6.Workplace Safety and Working Conditions

- The OSH Code consolidates multiple safety laws and mandates enhanced welfare facilities, free protective equipment, annual health check-ups for certain categories of workers and stricter safety audits.

OP.ED (CONT'D)

7.Gender Equality Measures

- The Codes reinforce gender equity in the workplace by mandating equal remuneration, prohibiting discrimination in role allocation and permitting women to work night shifts with their consent and adequate safety safeguards. The expanded definition of "family" to include parents-in-law ensures more inclusive leave and benefit policies.

8.Gig and Platform Worker Social Security

- The Social Security Code formally brings gig and platform workers into India's welfare ecosystem, requiring aggregators to contribute 1–2% of their turnover to a social security fund.

9.Digital Compliance & Inspector-Cum-Facilitator Model

- The Codes replace the traditional inspector system with an inspector-cum-facilitator structure backed by random, web-based inspections. Mandatory electronic maintenance of registers, unified returns and single licensing mechanisms reduce procedural friction but increase transparency.

10.Industrial Relations Modernisation

- The Industrial Relations Code introduces faster dispute timelines, stronger trade union recognition requirements and two-member tribunals for quicker adjudication.

Conclusion

The four labour codes represent a structural transformation of India's labour regulatory framework. For corporates, compliance is no longer limited to paperwork but, it now requires transparent wage structures, stronger governance, gender-inclusive workplaces, modernised HR policies, and digital compliance readiness.

Organisations that proactively realign their systems, update employment terms, train HR teams and implement technology-driven compliance frameworks will not only mitigate risk but also position themselves for smoother operations under India's modern labour regime.

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DPDP ACT COMPLIANCE SIMPLIFIED: A DATA PRIVACY PLAYBOOK FOR BUSINESSES

BY AMMU BRIGIT

Introduction

On 13 November 2025, the Government of India officially enforced the Digital Personal Data Protection Act, 2023 ("Act") into force by notifying the Digital Data Protection Rules 2025 ("Rules") This marked the beginning of a structured, phased implementation of the Act with immediately enforceable sections being the foundational elements such as the definitions, the establishment and powers of the Data Protection Board.

In the second phase, exactly one year later i.e., 13 November 2026, provisions related to the registration and regulation of consent managers" will take effect enabling an official framework for entities to manage user consent.Finally, after 18 months from the notification i.e., 13th May 2027, the most substantive obligations of the data privacy regime which include mandatory data-protection duties for fiduciaries, notice and consent requirements, data-principal rights, cross-border, breach reporting, and safeguards for children's data will take effect.

This phased design aims to give businesses sufficient runway to adapt their systems, operational workflows, and data privacy governance.

This note outlines a concise framework as to what to prioritise and how businesses should build a privacy programme within the implementation timelines provided under the Rules.

UNderstanding the Basics

1. Map Your Data

The first step is knowing what personal data your organisation collects and why. A practical starting point is to map the data lifecycle:

- What information do we collect from customers, employees, vendors, or website users?
- Why do we collect it?
- Where is it stored?
- Who within the organisation can access it?
- Which external vendors receive or process it?

Business should remove unnecessary form fields, auto-opt-ins or any silent trackers. This data mapping exercise not only reveals compliance gaps but also helps the business to stick to the thumb rule of the Act i.e Collect what you need and not the good to have's.

2.Rewrite Your Consent Language

Once the businesses map its data collection, they should update their consent mechanisms and privacy notices. Consent must be clear and easy to withdraw, and notices must reflect real, on-ground practices and it cannot be a template language.

OP.ED (CONT'D)

3.Bringing Compliance to Daily Operations

- Once the basics of data mapping and fixing the consents are covered, the next step is to build processes that work every day.

4.Adoption of Reasonable Security Practices & Restrict Employee Access

- On the technical side, adopting reasonable security practices such as encryption, masking or use of virtual tokens to map the personal data as prescribed by Act is also essential.
- Businesses need to make sure only those employees who actually require personal data have access to it. This would mean that business may have to revisit the extent of permissions given to its employees with respect to personal data through CRM tools, shared drive access, or admin rights. Minimal access of personal data would mean minimal breach risk.

5.Fix Your Vendor Contracts

- Contracts with vendors and service providers need to be updated too. Any third party handling personal data on your behalf should be bound by clear obligations around how they use the data, how they keep it secure, how quickly they notify you of a breach, and how they delete or return data when the relationship ends.

6.Correction and Deletion of Data

- Organisations should also put in place simple, documented workflows to handle requests for data correction, deletion, or withdrawal of consent. These requests often may come through customer support or HR teams, so internal alignment and training is essential.

Measure to be Taken for Sustainable Compliances

1.Retention and Deletion Policy

A clear data retention and deletion policy is one of the long-term measures to be adopted by businesses. The Act disallows indefinite storage, so organisations need to define how long each category of data is kept and when it must be deleted.

2.Preparation for Data Breaches

Organisations should also prepare for data breaches. Having a documented incident response plan with clear roles and timelines, standard operation procedures for data breach reporting to the Data Protection Board ensures that organisations can act quickly as per the Act.

3.Employee Training

Effective compliance of the Act depends on employees who understand how to handle personal data responsibly, especially in functions such as HR and customer support. Regular, role-based training ensures that employee recognise privacy obligations, follow approved workflows, and avoid accidental data leaks that could expose the organisation to regulatory liability.

OP.ED (Cont'd)

Conclusion

As organisations adapt to the data privacy regime under the Act, a few habits must be firmly left behind. Copy-pasting generic privacy policies will no longer suffice, nor will the assumption that compliance can be deferred until the organisation is larger or more sophisticated. Companies must also recognise that third-party platforms which stores and processes the personal data for organisations do not absorb their statutory obligations, and broad, uncontrolled administrative access for employees only amplifies risk. Finally, marketing activities cannot proceed without clear, auditable opt-in records. Avoiding these missteps is essential for building a sustainable privacy practice under the Act.

JUDGMENT ARTICLE

CONSTITUTIONAL VALIDITY AND INTERPRETATION OF GST IMPOSED ON ONLINE GAMING AND CASINO BETS.

- In November 2025, the Supreme Court delivered a significant ruling striking down key provisions of the Tribunals Reforms Act, 2021. The Court held that Parliament had reenacted provisions earlier invalidated in Madras Bar Association (2020–2021), including the four-year tenure, minimum age bar of 50, and the dilution of judicial primacy in appointments. The Bench of CJI B.R. Gavai and Justice K.V. Chandran found that the Act directly contradicted binding precedent and amounted to an impermissible "legislative overruling" of prior constitutional judgments.

Issues for consideration

- Whether Parliament could reenact provisions struck down in MBA-IV and Rojer Mathew.
- Whether Sections 3, 5 and 7 violated judicial independence by granting the executive control over tenure, age, and service conditions.
- Whether the Act's four-year tenure and reappointment system compromised impartiality and violated Articles 14, 21 and 50.
- Whether excessive delegation under Section 3(1) allowed the executive to determine essential qualifications.
- Whether tribunal members selected under the earlier regime retained protection of age and tenure.
- Whether systemic issues justified a National Commission for Tribunals.

Contentions:

Petitioners argued that the 2021 Act reproduced unconstitutional rules struck down in MBA-IV, undermining tribunal independence through arbitrary age limits, short tenure, and an executive-heavy appointment process. They contended that reenacting invalidated provisions violated Articles 14 and 50 and amounted to treating unequals equally by excluding meritorious younger candidates. They also sought protection for ITAT and CESTAT members whose appointment letters wrongfully applied the 2020 Rules.

The Union argued that the Act reflected legislative policy, and that judicial directions in earlier MBA cases were not binding mandates. It claimed that the basic structure doctrine cannot be invoked to strike down legislation absent violation of fundamental rights, and urged the Court to "give the new law time to operate." It maintained that Parliament was competent to prescribe age, qualifications and tenure.

JUDGMENT ARTICLE (CONT'D)

The Court struck down the impugned provisions, holding that Parliament had reintroduced unconstitutional frameworks without curing defects. It reaffirmed that judicial independence—particularly in tribunal appointments and tenure—is part of the basic structure. The four-year term, age bar, and multi-name recommendation system were again held unconstitutional. The Court clarified that ITAT and CESTAT members appointed in 2018 would continue till age 62 (Presidents till 65), and extended similar protection to all members selected under the earlier regime. Emphasising repeated non-compliance by the executive, the Bench reiterated the need for a National Commission for Tribunals as an essential structural safeguard for independence, uniformity and transparency.

IN THE COURT ROOM : LANDMARK JUDGMENTS OF THE SUPREME COURT OF INDIA

Supreme Court Clarifies Commercial Purpose Under the Consumer Protection Act

In a significant ruling in Poly Medicure Ltd. v. Brillio Technologies (2025), the Supreme Court held that a company purchasing goods or services to streamline its business operations—such as software for documentation, automation, or efficiency does so for a commercial purpose, and therefore is not a consumer under Section 2(1)(d) of the Consumer Protection Act, 1986.

Poly Medicure, engaged in import–export of medical devices, had purchased a specialised software licence to automate export documentation and supply-chain functions. Alleging defects, it filed a consumer complaint seeking refund and damages. Both the State Commission and NCDRC dismissed the complaint, holding that the company was not a "consumer." The Supreme Court affirmed, noting that the software directly supported the company's profit-generating activities, making the transaction business-to-business rather than consumer-oriented.

The Court distinguished cases involving self-employment or livelihood-based use, reiterating that what matters is the dominant purpose of the purchase. If goods or services are linked to revenue generation, process optimisation, or business expansion, they fall squarely within "commercial purpose."

Defective Affidavit under Section 7 IBC is a Curable Irregularity; NCLT Must Issue Proper Notice Before Rejection, Holds Supreme Court

In the case of Livein Aqua Solutions Pvt. Ltd. vs HDFC Bank Ltd., The Supreme Court held that an application under Section 7 of the Insolvency and Bankruptcy Code (IBC) cannot be rejected merely because the supporting affidavit was defective or dated earlier than the verification, as such a defect is curable and does not render the application non est. It ruled that the National Company Law Tribunal (NCLT) failed to follow the mandatory proviso to Section 7(5)(b) of the IBC, which requires a specific notice to the applicant to rectify defects within seven days, and that the general consolidated notices issued under Rule 28 of the NCLT Rules could not substitute this statutory requirement. While upholding the NCLAT's finding that the rejection of the bank's Section 7 application was improper, the Court held the NCLAT erred by restoring the petition without directing the bank to cure the defective affidavit. The Court therefore disposed of the appeal by directing HDFC Bank to cure all defects within seven days, after which the NCLT must proceed to hear the matter on merits.

In the Parliament

IMPLEMENTATION OF THE 4 LABOUR CODES

The formal notification and implementation of the four central Labour Codes, effective circa November 21, 2025, which collectively represent the most substantial legislative reformation in labour law. These codes—the Code on Wages, 2019; the Code on Social Security, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; and the Industrial Relations Code, 2020—rationalize and supersede 29 antecedent central labour statutes. Key provisions include the mandated extension of social security to gig and platform workers, a reformed, rationalised definition of 'wages' impacting compensation structuring, and the guarantee of minimum wages across all sectors. Furthermore, they reduce gratuity eligibility to one year for fixed-term employees, who are now entitled to benefits equivalent to permanent workers, while simultaneously permitting women to engage in all occupational roles, including hazardous tasks like underground mining, subject to mandatory safety protocols

FORMAL INTRODUCTION OF SECURITIES MARKETS CODE BILL 2025 IN PARLIAMENT

The highly anticipated Securities Markets Code Bill 2025 is officially slated for introduction in the upcoming Winter Session of Parliament, with its tabling confirmed to commence on December 1st. According to a formal bulletin issued by the Lok Sabha Secretariat, this crucial piece of legislation represents a significant government effort to rationalize and modernize the nation's financial regulatory landscape. The Bill's primary objective is to create a singular, unified securities market code by merging and consolidating the provisions of three foundational acts: the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996, and the Securities Contracts (Regulation) Act, 1956. First proposed during the Union Budget 2021-22, the consolidation is widely regarded by market experts as a measure that will substantially improve the ease of doing business within the capital markets. Furthermore, the simplified framework is expected to deliver tangible benefits by reducing compliance costs, minimizing regulatory friction, and, critically, strengthening the credibility of government borrowings. The successful passage of this unified code through Parliament is anticipated to attract greater volumes of foreign investment, reinforcing India's position as a robust and stable global financial center, thereby contributing to broader economic growth.

LEGAL NEWS

IndiGo has approved a $820 million (₹7,270 crore) investment in its wholly owned subsidiary, InterGlobe Aviation Financial Services IFSC Pvt Ltd, to support new aircraft acquisitions. The funding will be infused through a mix of equity and 0.01% non-cumulative optionally convertible redeemable preference shares (OCRPS) in one or more tranches. The subsidiary will deploy the capital towards acquiring aviation assets to strengthen IndiGo's ownership-based fleet strategy. As of November 21, the airline operates a fleet of 411 aircraft, with 365 in service and 46 grounded, according to planespotter.net.

NCLT Kochi has approved the reduction of paid-up share capital of Cochin Aircraft Maintenance Company Ltd under Section 66 of the Companies Act, 2013, after finding that the proposal did not affect any creditors, employees, or stakeholders. The company sought to reduce its capital from ₹1,13,58,450 to ₹25,83,450, returning ₹87,75,000 to shareholders, following its decision to discontinue aviation-related operations and shift to general engineering consultancy. The Tribunal noted that the reduction was unanimously approved by shareholders, the company had no creditors or employees, and statutory authorities raised no objections. It concluded that the move was commercially sound, proportionate, and lawful, while clarifying that the approval does not shield the company from any existing or future statutory actions.

The Delhi High Court has upheld the validity of the International Worker (IW) regime under the EPF and Pension Schemes, rejecting arguments that mandatory PF contributions for foreign nationals are discriminatory or arbitrary. The Court held that IWs form a distinct class—often on short-term assignments and covered by Social Security Agreements—and that the differential PF treatment has a rational basis linked to India's social-security objectives. As a result, the Court dismissed the challenges and confirmed the EPFO's authority to enforce compliance under the IW framework.

In this decision, the NCLAT partly upheld the CCI's findings against WhatsApp and Meta regarding the 2021 WhatsApp Privacy Policy, holding that WhatsApp abused its dominant position by imposing a compulsory "take-it-or-leave-it" data-sharing condition on users and that Meta's use of WhatsApp data resulted in a denial of market access to competitors. While the tribunal sustained the CCI's penalty of ₹213.14 crore and requirements for greater user choice, transparency, and opt-out mechanisms, it set aside the CCI's five-year ban on sharing WhatsApp data for advertising and also removed the finding of leveraging under Section 4(2)(e). Ultimately, the tribunal modified the CCI's 18 November 2024 order, confirming only the proven abuses and proportional remedies.

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LEGAL TRIVIA

As per the provisions of the Companies Act, 2013, what are the minimum statutory requirements for the number of Members and the number of Directors in a Public Limited Company?

A. Minimum 2 Members and Minimum 2 Directors
B. Minimum 5 Members and Minimum 3 Directors
C. Minimum 7 Members and Minimum 3 Directors
D. Minimum 7 Members and Minimum 7 Directors

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