



SAGA LEGAL

---

# COMMUNIQUE

## MARCH 2025

---

Delhi | Bangalore | Mumbai | Hyderabad

---



SAGA LEGAL

# TABLE OF CONTENTS

Courts this Month:

(i) Supreme Court.....	<b>1</b>
(ii) High Courts.....	<b>4</b>
Notifications/Amendments Insight.....	<b>6</b>
Deals of the Month.....	<b>7</b>



SAGA LEGAL

## SUPREME COURT THIS MONTH

- The Hon'ble Supreme Court, in the case of *Joint Secretary, Central Board of Secondary Education vs. Raj Kumar Mishra (Special Leave Petition (Civil) No. 19648 of 2023)*, held that for an individual to claim employment with an organization, they must establish a direct master-servant relationship in a written document. The Court further added that only because there was supervisory control over on the workman does not establish that there was an existence of master-servant relationship. The Bench comprising Justice Ahsanuddin Amanullah and Justice Prashant Kumar Mishra ruled the following: *"For a person to claim employment under any organization, a direct master-servant relationship has to be established on paper. In the present case(s), admittedly, the only document, which the private respondents have in their favour, is showing that they were posted at various places doing different nature of work."*
- The Hon'ble Supreme Court, in the case of *Disortho S.A.S. vs. Meril Life Sciences Private Limited (Arbitration Petition No. 48 of 2023)*, ruled that in the absence of an express governing law specified in the arbitration agreement, the applicable governing law should be determined based on the parties' intention, with a strong presumption in favor of the law governing the principal contract. The Court was hearing a case involving issues related to international commercial arbitration, where the venue of arbitration was specified, but the clause did not mention the governing law for arbitration. The Bench comprising Chief Justice of India Sanjiv Khanna, Justice Sanjay Kumar, and Justice KV Viswanathan observed, *"First, neither Clause 16.5 nor Clause 18 explicitly stipulates the governing law of the arbitration agreement. Therefore, we proceed to the next step of the test, which involves identifying the parties' implied choice of law for the arbitration agreement. At this stage, there is a strong presumption that the lex contractus, i.e., Indian law, governs the arbitration agreement. As explained earlier, this presumption may be displaced if the arbitration agreement is rendered non-arbitrable under Indian law."*
- The Hon'ble Supreme Court, in the case of *V. Ravikumar vs. S. Kumar (Special Leave Petition (Civil) No. 9472 of 2023)*, delivered an important ruling on issues related to the sale of immovable property pursuant to a valid Power of Attorney ("**PoA**"), which was canceled after the execution of the sale. The Court held that the sale transactions carried out on the basis of a valid PoA cannot be set aside later and declared invalid on the ground that the PoA was cancelled subsequently. The Bench comprising of Justice Sudhanshu Dhulia and Justice K Vinod Chandran stated *"We are clear in our minds that the cancellation does not affect the prior conveyances made which are clearly on the strength of the power conferred on the appellant. There is no contention raised as to the power of attorney having not conferred the power to enter into conveyances or that such power of attorney was executed by reason of a fraud or coercion employed on the executant. The power holder having exercised the authority conferred; to convey the properties in the name of the purchasers, the cancellation of the power of attorney will have no effect on the conveyances carried out under the valid power conferred. Nor would it confer the person who executed the power of attorney any cause of action, by virtue of a cancellation of the power conferred by a subsequent document, to challenge the valid exercise of the power when it existed."*



SAGA LEGAL

- The Hon'ble Supreme Court, in the case of *Vishnoo Mittal vs. M/S Shakti Trading Company (SLP (CRL.) No. 1104 of 2022)* set aside an order of the Punjab and Haryana High Court issued against a former director of a company, noting that the cause of action under Section 138 of the Negotiable Instrument Act, 1881 arose after the commencement of the insolvency process, and the director had been suspended from his position as soon as the interim resolution professional was appointed. The court distinguished its judgment in *P. Mohan Raj vs. M/S Shah Brothers Ispat Pvt. Ltd.*, where it was held that the immunity granted by the moratorium order under Section 14 of the Insolvency Bankruptcy Code, 2016 applies only to a corporate debtor and not to a natural person. The Bench comprising Justice Sudhanshu Dhulia and Justice Ahsanuddin Amanullah opined that *"The case at hand is totally different from P.Mohan Raj as the cause of action in the present case arose after the commencement of the insolvency process."*
- The Hon'ble Supreme Court, in the case of *Raju Naidu vs. Chenmouga Sundra & Ors. (Civil Appeal No (s). 3616 of 2024)* held that protection available under Section 53A of the Transfer of Property Act, 1882 ("**TPA**"), for a person possessing a property under part performance of a contract, is not available to an individual who knowingly entered into the contract despite being aware of pending litigation. Section 53A of TPA recognizes the doctrine of part performance and protects if a person has taken possession of a property and has performed acts in furtherance of a contract for the transfer of that property, they may be protected and allowed to enforce their rights to the property. The Bench comprising Justice Sudhanshu Dhulia and Justice Prasanna B. Varale observed *"The High Court also dealt with the submissions raised by the learned counsel for the appellant qua the applicability of Section 53A of the TP Act. It is the admitted fact that the Revision Petitioner having the knowledge of the pendency of the suit, had entered into agreement with the father of the respondent Nos.1 to 8 and he could not have better and valid right over the rights of the original transferer and in that situation, no recourse could have been taken. The High Court rightly observed that the Courts have uniformly held that the limited rights of the transferee pendent lite on the principle of lis pendens. Such limited rights cannot be stretched to obstruct and resist the full claim of the decree holders to execute the decree in their favour. In fact, the Courts have deprecated such obstruction."*
- The Hon'ble Supreme Court, in the case of *Supreme Court Bar Association and Anr. vs. State of Uttar Pradesh And Ors. (Miscellaneous Application Nos. 3-4 of 2025)* ruled that an advocate's right to appear in court is coupled with the duty to be present in the court at the time of hearing. The Court also reiterated that Advocates-on-Record should not be mere 'name lenders' but must actively participate in the proceedings. The Bench comprising of Justice Bela M. Trivedi and Justice Satish Chandra Sharma observed, *"A right of an Advocate to appear for a party and to practice in the courts is coupled with the duty to remain present in the court at the time of hearing, and to participate and conduct the proceedings diligently, sincerely, honestly and to the best of his ability. Rights and duties are two sides of the same coin, and they are inherently connected with each other... If the Vakalatnama was not executed in his presence, the Advocate-on-Record has to make an endorsement on the Vakalatnama that he has satisfied himself about the due execution of the Vakalatnama."*
- The Hon'ble Supreme Court, in the case of *Vaibhav Goel & Anr. vs. Deputy Commissioner of Income Tax & Anr. (Civil Appeal No. 49 of 2022)* in an appeal filed under Section 62 of the Insolvency and Bankruptcy Code, 2016 challenging the judgment passed by the National Company Law Appellate Tribunal reiterated that all dues, including statutory dues owed to the Central Government, that are not part of the resolution plan, shall stand extinguished.



SAGA LEGAL

The Bench comprising Justice Abhay S Oka and Justice Ujjal Bhuyan stated, *“Consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”*

- The Hon'ble Supreme Court, in the case of *Srikrishna Kanta Singh vs. The Oriental Insurance Company Ltd. & Ors. (Special Leave Petition (C) No.12459 of 2019)* clarified that the mere fact that the driver of the scooter or any vehicle held only a learner's license would not, by itself, lead to a conclusion of contributory negligence on the part of the scooter driver. The Bench comprising Justice Sudhanshu Dhulia and Justice K Vinod Chandran observed, *“Finding that the driver was not cautious is one thing and finding negligence is quite another thing,...Having found the trailer to be driven rashly and negligently, we do not think that the mere fact that the driver of the scooter had only a learners licence would necessarily lead to a conclusion of contributory negligence on the part of the scooter driver. There can be no negligence found on the scooter driver also by the mere fact that the accident occurred on a collision at the tail-end of a long trailer, when the scooter driver had better visibility; which is a question of fact liable to be proved and not merely presumed.”*



SAGA LEGAL

## HIGH COURTS THIS MONTH

- The High Court of Bombay, in the case of *Kartik Radia vs. M/s. BDO India LLP & Anr. (Comm. Arbitration Application No. 31 of 2022)* ruled that when there is a dispute between a partner and a Limited Liability Partnership (“LLP”), and the LLP itself is not a signatory to the arbitration agreement, the LLP cannot claim to be extraneous to arbitration proceedings when the dispute concerns its governance. The issue before the court involved an application filed under Section 11 of the Arbitration and Conciliation Act, 1996 to determine whether disputes between partners of an LLP and the LLP itself can be covered by the arbitration agreement in the LLP Agreement, to which the LLP is not a signatory. A Single Judge Bench of Justice Somasekhar Sundaresan observed, *“Arguing that the LLP is a “third party” to the LLP Agreement is much like arguing that a company is a third party to its own Articles of Association. A company is duty-bound to act in accordance with the Articles of Association. So is an LLP duty-bound to act in accordance with the LLP Agreement. The body corporate is the very cause for the existence of such an agreement...The very operation of the LLP during its existence is the common commercial objective of the parties to the LLP Agreement. Therefore, I have no hesitation in holding that there is no merit at all in the argument that despite the LLP being the very subject matter of the LLP Agreement, the LLP itself is extraneous to the LLP Agreement.*
- The High Court of Delhi, in the case of *Shakti Pump India Ltd. vs. Apex Buildsys Ltd. and Anr. (O.M.P. (T) (COMM.) 107 of 2024)* held that the unilateral appointment of an arbitrator, without an unequivocal written waiver from the parties, is void ab initio. The Court further added that such appointment in violation of Section 12(5) of the Arbitration and Conciliation Act, 1996 (the “Act”), can be terminated under Section 14 of the Act. A Single Judge Bench of Justice Subramonium Prasad, while clarifying that mere participation in arbitral proceedings does not amount to a waiver of objections unless explicitly expressed in writing, observed,  
*“Mere participation of the parties without an unequivocal, written waiver after the dispute has arisen does not constitute acceptance of a unilateral appointment. Therefore, the unilateral appointment of an arbitrator by the Respondent in this case, being void ab initio as held by the Apex Court, is liable to be terminated.”*
- The High Court of Rajasthan, in the case of *Lal Chand Jindal vs. Regional Manager (Civil Writ Petition No. 1334 of 2015)*, relying upon Section 25-B(2) of the Industrial Disputes Act, 1947, and the Supreme Court's decision in the case of *Workmen of American Express International Banking Corporation vs. Management of American Express International Banking Corporation*, held that sundays and other paid holidays should be included when calculating the continuous service of the workman. The Court was dealing with a case in which the statement of claim filed by the petitioner-workman was rejected on the grounds of his failure to prove that he had worked for more than 240 days in the preceding calendar year. The Single Judge Bench of Justice Anoop Kumar Dhand observed, *“the total working period of the petitioner was calculated as 227 days in the last preceding year and on the basis of the same, the Tribunal recorded a finding that the petitioner has failed to prove that he has worked for more than 240 days in a calendar year. While passing the order impugned, the Tribunal has lost sight of the provision contained under Section 25-B(2) of the Act of 1947 and the judgment passed in the case of Workmen of American Express International Banking Corporation”.*
- The High Court of Kerala in case of *Fakrudeen K.V.@ Fakrudeen Panthavoor vs. State of Kerala & Anr (Crl.A No. 842 of 2024)* has expressed its “grave concern” over the absence of comprehensive and effective laws to tackle cyberbullying, stressing that this issue urgently requires the attention of relevant authorities. The Court was dealing with a case that involved the uploading of a defamatory video about a particular individual, using doctored footage.





SAGA LEGAL

A Single Judge Bench of Justice CS Sudha observed, *"In the era of social media, individuals often operate under the misconception that the right to freedom of speech and expression allows them to produce any form of content, make unfounded criticisms, issue abusive remarks, or engage in derogatory conduct towards others, all while evading accountability. This raises serious concerns, particularly in the light of the growing prevalence of cyberbullying, a phenomenon that remains inadequately addressed by current legal frameworks."*

- The High Court of Delhi, in the case of *Radico Khaitan Limited vs. Harish Chouhan (ARB.P. 1560 of 2024)* ruled that accepting goods delivered under an invoice constitutes acceptance of the terms governing the invoice, including any arbitration clause included. The facts of the case involved parties agreeing that all business transactions would be governed by the "Terms & Conditions" on the invoices, and any disputes, whether contractual or not, would be resolved through arbitration under the Arbitration and Conciliation Act, 1996. The Single Judge Bench of Justice Manoj Kumar Ohri observed, *"...As against the subject invoices issued by the petitioner, not only were the subject goods accepted by the respondent without any complaints/claims, but also part payment was made to discharge part liability arising out of the said transactions. The conduct of the parties point towards intention to be governed by the terms of the invoices. Moreover, the arbitration clause contained in the invoice itself is clear to the extent that acceptance of subject goods delivered under the invoice would amount to accepting the terms governing it, including the arbitration clause contained therein. The same was in knowledge of the respondent, who, at no point, objected to the same."*
- The High Court of Punjab and Haryana, in the case of *State of Punjab vs. Dharminder Singh Etc. (CRA-48-DBA of 2004)*, ruled that the search of a private vehicle, even in public places, requires secret information to be written down within 72 hours, this is a requirement under

Sections 41(2) and 42 of the Narcotic Drugs and Psychotropic Substances Act, 1985 ("**NDPS Act**"). The Division Bench comprising Justice Gurbinder Singh Gill and Justice Jasjit Singh Bedi observed, *"where secret information is received in terms of Section 42 of the NDPS Act, then the search of a private conveyance even in a public place/transit would require compliance of Sections 41(1) and 42(2) of the NDPS Act i.e. the information so received must be taken down in writing and conveyed to the immediate superior officer within 72 hours...However, where the search of a public conveyance is to be conducted in a public place/transit, no such compliance is required. Whether a vehicle is a private conveyance or a public conveyance would be a question of fact in each case."*

- The High Court of Delhi, in the case of *Mohammad Arham vs. Commissioner of Customs (W.P.(C) 2760 of 2025)* held that as per the procedure established under Section 110 of the Customs Act, 1962, the detention of goods by the customs department cannot continue beyond one year if a show cause notice is not issued to the assessee within that period. The Division Bench comprising of Justices Prathiba M. Singh and Justice Rajneesh Kumar Gupta observed, *"Once the goods are detained, it is mandatory to issue a show cause notice and afford a hearing to the Petitioner. The time prescribed under Section 110 of The Customs Act, 1962, is a period of six months and subject to complying with the formalities, a further extension for a period of six months can be taken by the Department for issuing the show cause notice. In this case, the one year period itself has elapsed, thus no show cause notice can be issued. The detention is therefore impermissible"*.



SAGA LEGAL

## NOTIFICATIONS / AMENDMENTS INSIGHTS

- The Securities and Exchange Board of India (“SEBI”), vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/37 dated March 21, 2025, has extended the timeline for the applicability of the industry standards on “Minimum Information to be Provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transactions.” The previous deadline for this was April 1, 2025, as per SEBI's Circular dated February 14, 2025, which has now been extended to July 1, 2025, upon receiving feedback from various stakeholders requesting extension of timeline for applicability of the Industry Standards. The Industry Standards Forum, comprising representatives from three industry associations ASSOCHAM, CII, and FICCI, had formulated these industry standards.
  - The Insolvency and Bankruptcy Board of India (“IBBI”) vide Circular No. IBBI/CIRP/83/2025 dated March 17, 2025, has mandated the insolvency professionals to include a special section in the Information Memorandum (IM) that must specify the carry forward of losses under the Income Tax Act, 1961 (“**Income Tax Act**”). This section should outline the amount of carry-forward losses available to the corporate debtor, with an appropriate breakdown under the relevant categories of the Income Tax Act. It should also specify the time frame within which these losses can be utilized and indicate if no such losses exist.
  - The Securities and Exchange Board of India (“SEBI”), vide Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/36 dated March 21, 2025 has introduced amendments to the framework that governing the alignment of interests between designated employees of Asset Management Companies (“AMC”) and the unitholders. The rationale is to ease business operations by simplifying compliance requirements and offering more operational flexibility to AMCs, all while continuing to safeguard investor interests.
- One of the key changes provides a mandatory minimum percentage of the gross annual CTC (including salary, perks, bonus, and non-cash compensation) of designated employees at AMCs, after deducting income tax and statutory contributions (such as PF and NPS), must be invested in units of mutual fund schemes that they manage or are involved with.
- The Ministry of Micro, Small and Medium Enterprises (“MSME”) vide Notification No. S.O. 1364(E) dated March 21, 2025, has amended the threshold limits for classifying enterprises under the MSME Development Act, 2006. The thresholds for classification of enterprises have been revised as follows: For micro-enterprises, the investment limit has been raised from ₹1 crore to ₹2.5 crore, and the turnover limit has increased from ₹5 crore to ₹10 crore. In the case of small enterprises, the investment threshold has been raised from ₹10 crore to ₹25 crore, while the turnover limit has increased from ₹50 crore to ₹100 crore. For medium enterprises, the investment limit has been enhanced from ₹50 crore to ₹125 crore, and the turnover limit has been increased from ₹250 crore to ₹500 crore.





SAGA LEGAL




## DEALS THIS MONTH

- PayU, the payments and fintech arm of Prosus N.V., has acquired a strategic stake in Mindgate Solutions Private Limited, a real-time payments technology company. Under the terms of the deal, PayU will acquire a 43.5% stake in Mindgate. This partnership bolsters PayU's position in India's real-time payments sector and leverages Mindgate's expertise to drive digital payment innovations on a global scale. The collaboration aims to help banks and merchants meet the evolving demands of consumers by providing enhanced payment options.
- DSP Group has acquired Volt Money, a Bengaluru-based fintech startup that offers instant secured loans against mutual funds. Volt Money partners with lenders and distribution networks to provide instant secured loans with competitive terms. According to reports, the DSP Group was already a shareholder in Volt Money and had access to the company's financial data which led to their proposal for the acquisition deal.
- B2B ecommerce player Jumbotail is set to acquire SC Ventures-incubated startup Solv India for an undisclosed amount. Jumbotail aims to acquire Solv India to expand into a multi-category B2B ecommerce platform that supports the commerce and fintech needs of kiranas and MSME firms. Jumbotail's expertise spans the entire food and grocery value chain, while Solv India's capabilities extend across apparel, home furnishings, footwear, and toys.
- The Competition Commission of India ("CCI"), through Press Release No. 115/2024-25[1] dated March 17, 2025, has approved the proposed acquisition of 90.5% of the shareholding in Uprising Science Private Limited by Hindustan Unilever Limited ("HUL"). The remaining 9.5% shareholding will be acquired within approximately two years from the completion date, as per the terms of the share purchase & subscription agreement executed


between HUL and Uprising. While HUL is a leading manufacturer and seller of a diverse range of consumer goods, including home care products, beauty and personal care products, as well as food and refreshments, Uprising is similarly engaged in the manufacture and sale of beauty and personal care products.



SAGA LEGAL

-  **New Delhi:** 248, Third Floor, Okhla Industrial Area Phase 3 Delhi-110020
-  **Bengaluru:** 2216, First Floor, UKS Steel Plaza, 80 Feet Road, HAL 3rd Stage, Indiranagar, Opp ISRO Bengaluru- 560 075
-  **Mumbai:** 3/A-3, 3rd Floor, Court Chambers 35, New Marine Lines, Mumbai-400020

 [contact@sagalegal.in](mailto:contact@sagalegal.in)

 +91 11 4106 6969 | +91 11 4107 6969 | +91 80 4229 6819 | +91 22 3155 0631

 [www.sagalegal.in](http://www.sagalegal.in)

## DISCLAIMER

This publication is intended to be circulated for informational purposes only. The publication in no way constitutes legal advice/opinion being provided by Saga Legal to its readers or the public at large. Saga Legal encourages the readers to seek professional legal advice before acting upon the contents provided herein. The firm shall not be responsible for any liability or loss that may be attributed to the contents of this publication. This publication is property of Saga Legal, and the same may not be circulated, distributed, reproduced or otherwise used by anyone without the prior express permission of its creators.