



SAGA LEGAL

COMMUNIQUE

SEPTEMBER 2025

Delhi | Bengaluru | Mumbai | Hyderabad

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SUPREME COURT THIS MONTH

- The Hon'ble Supreme Court in the case *Mohammed Rasal C. & Anr. vs. State of Kerala & Anr* (SLP (Crl.) No. 6588 of 2025) stated their disapproval over the practice of High Courts directly entertaining anticipatory bail applications bypassing the Sessions Courts. The Court acknowledged the concurrent jurisdiction granted to High Courts and Sessions Courts on hearing anticipatory bail matters under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ("**BNSS**"), but clarified that High Courts must only make use of this power in exceptional cases and such reasons to be specifically recorded. The Bench comprising Justice Vikram Nath and Justice Sandeep Mehta observed "*though the concurrent jurisdiction is conferred upon the Sessions Court and the High Court to entertain a prayer for pre-arrest bail under Section 482 of the BNSS (formerly, Section 438 CrPC), the hierarchy of Courts demands that no person seeking such remedy should be encouraged or allowed to directly approach the High Court for exercising jurisdiction under Section 482 of the BNSS (formerly, Section 438 CrPC) by bypassing the jurisdiction of the concerned Sessions Court... only in the event of denial of such relief (by the Sessions Court), the litigant would be granted access to approach the High Court for seeking such relief. This is, of course, subject to just exceptions and the High Court, for reasons to be recorded, may entertain an application for pre-arrest bail directly in special/extra-ordinary circumstance*"
- The Hon'ble Supreme Court in the case *Kalyani Transco vs. M/s Bhushan Power and Steel Limited and Others* (Civil Appeal No. 1808 of 2020) stated that where a resolution plan is approved by the Committee of Creditors ("**CoC**") and the Adjudicating Authority, permitting the reopening of any claims that were not a part of the Request for Resolution Plan ("**RfRP**") or the Resolution Plan is violative of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"). The Bench comprising Chief Justice of India B.R. Gavai, Justice K. Vinod Chandran, and Justice Satish Chandra Sharma observed "*Once the Resolution Plan has*

been approved by the CoC and the Adjudicating Authority under Section 31(2), permitting any claims to be reopened which were not a part of the RfRP or Resolution Plan, in our view, will be doing violence to the provisions of IBC. In that view of the matter, the arguments of the CoC as well as the original promoters in this regard are liable to be rejected. ... It further provides that no action shall be taken against the properties of the Corporate Debtor in relation to an offence committed prior to the commencement of the CIRP of the Corporate Debtor, where such property is covered under a Resolution Plan approved by the Adjudicating Authority under Section 31 of the IBC."

- The Hon'ble Supreme Court in the case *Mansi Brar Fernandes vs. Shubha Sharma and Anr.* (Civil Appeal No. 3826 of 2020) stated that right to secure timely possession of home is a salient feature of the fundamental right to shelter envisioned under Article 21. The Court added that while the Real Estate Regulatory Authority (RERA) remains the primary forum relating to home ownership, the Insolvency and Bankruptcy Board of India (IBBI) is a forum of last resort which shall aim to secure the revival and completion of viable projects, while also issuing guidelines relating to the operations of the two authorities relating to ensuring timely possession of properties. The Bench comprising Justice J.B. Pardiwala and Justice R. Mahadevan observed "*The State carries a constitutional obligation to create and strictly enforce a framework wherein no developer is permitted to defraud or exploit homebuyers. Ensuring timely project completion must be a cornerstone of India's urban policy. Equally, the State must proactively address the menace of a parallel cash economy and speculative practices in the real estate market, which artificially inflate housing costs and enable "trigger-happy" investors seeking easy exits to jeopardize the interests of genuine end-users ... the right to housing is not merely a contractual entitlement but a facet of the fundamental right to life under Article 21. Genuine homebuyers represent the backbone of India's*



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urban future, and their protection lies at the intersection of constitutional obligation and economic policy."

- The Hon'ble Supreme Court in the case *M/s Quippo Energy Ltd. vs. the Commissioner of Central Excise Ahmedabad - II* (Civil Appeal Nos. 9418-9420 of 2016) held that the conversion of imported goods into marketable and distinct products qualify as 'manufacture' under the Central Excise Act, 1944 and attracts duty. The Court clarified the difference between a 'part' and an 'accessory' while also iterating a two-pronged test for the determination of an activity as manufacturing activity which includes the Transformation Test (which considers whether a distinct product with a new name, identity, character, or use is created), and the Marketability test (which considers whether the transformed product is marketable in its new state). The Bench comprising Justice J.B. Pardiwala and Justice K.V. Viswanathan illustrated *"an air conditioner installed in a car would not be considered a 'part' of that car. This is because the car can effectively perform its primary function of transportation even without an air conditioner. Conversely, the air conditioner would be classified as an 'accessory' because it enhances comfort and convenience when utilised with the car. It provides supplemental/secondary value by enabling the ability to control the temperature within the car. On the other hand, a steering wheel would be considered as a 'part' of the car because without a steering wheel the car would not be able to perform its primary function, i.e., transportation."*
- The Hon'ble Supreme Court in the case *Satheesh V.K. vs. the Federal Bank Ltd.* (Civil Appeal Nos. 11752-11753 of 2025) held that an order rejecting a review petition cannot be challenged and the aggrieved party can only instead contest the original order or decree. The Bench comprising Justice Dipankar Datta and Justice K.V. Viswanathan observed *"Whenever a party aggrieved by a*

decree or order seeks a review thereof based on parameters indicated in Section 114 read with Order XLVII, CPC and the application ultimately fail, the decree or order under review does not suffer any change. It remains intact. In such an eventuality, there is no merger of the decree or order under review in the order of rejection of the review because such rejection does not bring about any alteration or modification of the decree or order; rather, it results in an affirmance of the decree or order. Since there is no question of any merger, the party aggrieved by the rejection of the review petition has to challenge the decree or order, as the case may be, and not the order of rejection of the review petition."

- The Hon'ble Supreme Court in the case *M/s. Shiv Steels vs. the State of Assam* (Civil Appeal No. 4441-4442 of 2014) iterated that when dealing with tax matters, statutory provisions must be strictly followed and no tax can be imposed on the basis of inferences or analogies. The Bench comprising Justice JB Pardiwala and Justice Sandeep Mehta observed *"In construing fiscal statutes and in determining the liability of a subject to tax one must have regard to the strict letter of law. If the revenue satisfies the court that the case falls strictly within the provisions of the law, the subject can be taxed. If, on the other hand, the case is not covered within the four corners of the provisions of the taxing statute, no tax can be imposed by inference or by analogy or by trying to probe into the intentions of the legislature and by considering what was the substance of the matter."*
- The Hon'ble Supreme Court in the case *M/s. U.P. Asbestos Ltd. vs. State of Rajasthan & Ors.* (Civil Appeal No. 3577-3578 of 2008) held that states cannot discriminate between goods manufactured within their own territory as opposed to those brought in from other states. Holding such measures as discriminatory and unconstitutional under Article 304(a) of the Indian



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Constitution, the Court struck down a 2007 notification of the Rajasthan government which had granted a VAT exemption to local asbestos sheet manufacturers while the same product from other states were not accorded any such exemption. The Bench comprising Justice B.V. Nagarathna and Justice R. Mahadevan observed *"States are at liberty to design their fiscal legislations in such a manner to ensure that the tax burden on goods imported from other States is equal to the tax burden on those goods produced within the State. Therefore, a tax designed to impose equal burdens cannot be said to be discriminatory. However, whether the tax burden falls equally is a question of fact to be determined in each case when the question arises ... a legislation is discriminatory and discriminates one person or class of persons against others similarly situated and denies to the former the privileges that are enjoyed by the latter, it has to be regarded as "hostile" in the sense that it affects injuriously the interests of that person or class."*



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HIGH COURTS THIS MONTH

- The Madras High Court in the case *Shivkarthik G.S. vs. Nil* (CRP. No. 4013 of 2025) held that family courts have the power to waive the mandatory cooling-off period under Section 10A of the Indian Divorce Act, 1869 where the parties are in mutual agreement to divorce. The Court also relied on the 2023 Supreme Court judgement in *Shilpa Sailesh vs. Varun Sreenivasan* (2023 (14) SCC 231), where the Apex Court had held that depending on the circumstances the similar six-month mandatory waiting period under Section 13B of the Hindu Marriage Act, 1955 can be discretionarily waived. The Single-Judge Bench comprising Justice P.B. Balaji observed *“both the petitioners have filed separate affidavits even in this revision, affirming their decision to go separate ways. The interest of any children is also not involved in the present case, since the parties were not blessed with any issues and both the petitioners have categorically asserted that the relationship has become irreconcilable and distressing. In such circumstances, compelling the petitioners to wait for the mandatory period to expire would only further increase their agony. The petitioners have also stated that their decision is voluntary and only based on their free will and there is no fraud, collusion or undue influence brought upon them to file the mutual consent divorce petition.”*
- The High Court of Himachal Pradesh in the case *Vidya vs. Vinita* (RSA No. 408 of 2019) stated that drawing any contrary hypothesis which conflicts with the intent of the testator is not justifiable when a will has been executed and the validity of such execution is proved beyond any further suspicion. The Single-Judge Bench comprising Justice Satyen Vaidya observed *“No doubt, the proof of execution of Will does not absolve the propounder of the burden to remove the suspicion, if any, surrounding such execution. The existence of suspicious circumstance is a question of fact and its assessment cannot be made by a straitjacket formula. ... Once the valid execution of Will stood proved and the suspicion stood removed, then to draw any contrary hypothesis that is antithetical to the intent of the testator, will not be justified. In such circumstances, it will be preposterous to unnecessarily doubt the intent behind execution of the Will.”*
- The High Court of Karnataka in the case *Sailen Das vs. State by Kodigehalli Police Station* (W.P. No. 26873 of 2024) ruled that cheating cases cannot be filed under Section 420 of the Indian Penal Code, 1860, against parties who are bound by a valid contract over performance related issues. The Court iterated precedent from the Apex Court and stated that where element of criminality or dishonest intention is absent from the inception of a transaction, an aggrieved party cannot be permitted to pursue both civil and criminal remedies simultaneously and such parallel proceedings amount to an abuse of law. The Single-Judge Bench comprising Justice Sachin Magadam observed *“the admitted position remains that the parties are bound by a valid and subsisting contract and the controversy essentially pertains to the performance of obligations arising therefrom. Such disputes are, in their nature, civil and are amenable to adjudication before an appropriate forum in accordance with law ... even if the allegations contained in the complaint are assumed to be true in its entirety, no offence, as alleged, can be said to have been made out against the petitioner.”*
- The Calcutta High Court in the case of *Rinki Chakraborty Nee Das vs. State of West Bengal* (CRR 2556 of 2023) ruled that an able-bodied husband who is capable of earning, cannot avoid his legal, social, and moral responsibility to maintain his wife, regardless of any employment or financial hardships. The Single-Judge Bench comprising Justice Ajoy Kumar Mukherjee observed *“it is well settled, as long as the wife is held entitled to grant of maintenance within the parameters of section 125 Cr.P.C, it has to be*



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awarded so that she can live with dignity as she would have live in her matrimonial home and she cannot be compelled to become a destitute. Since it is the obligation of the husband to maintain his wife, he cannot be permitted to take the plea that he is unable to maintain the wife due to financial constraint as long as he is capable of earning. ... the proceeding under section 125 Cr.P.C., is a measure of social justice and has been enacted to protect vagrant wife, though its object is never to punish the husband and such enactment falls within the constitutional mandate of Article 15(3) reinforced by Article 39 of the Constitution of India."

- The Bombay High Court in the case *Vishwambhar vs. Sow Sunanda* (Civil Revision Application No. 119 of 2025) ruled that grandchildren have no birthright over property owned by maternal grandfather during the lifetime of their mother as it amounts to obstructed heritage. The Court added that birthright is only created in property of paternal ancestry and not those devolves through maternal ancestry. The Single-Judge Bench comprising Justice Shailesh P. Brahme observed *"during lifetime of mother, plaintiff cannot claim any partition. It is incomprehensible as to why her mother is unable to file suit for partition and possession. Therefore, it's a case of no cause of action. ... Section 14 of the Act, the plaintiff's mother will become absolute owner of the property once she is allotted a share in the property. Being absolute owner, the share or estate will be at her disposal. If she dies intestate then only plaintiff will have half share in her estate. Due to Section 14, the plaintiff cannot be said to have any vested right or interest in the property or share allottable to her mother."*
- The Delhi High Court in the case *Soumya Bhattacharya vs. Sudhir Kumar Thakur* (CM(M) 757 of 2022) stated that any legal heir or representative of a deceased consumer is within their right to maintain a consumer complaint on his or her behalf. The Court was deciding on a consumer

complaint filed by a representative of a patient against the hospital over delay occurred during a platelet transfusion. The Single-Judge Bench comprising Justice Manoj Jain observed *"The provisions of Consumer Protection Act, 1986, being a welfare legislation, need to be construed in a liberal manner and in any case, the brother of the deceased would still fall within the definition of complainant as he is definitely his representative as well as the legal heir even if, of a little remote degree. ... Words "legal heir" and "representative" have not been defined in Consumer Protection Act, 1986, but these cannot be given any restricted and rigid meaning. Moreover, the Act does not make any distinction between a class-I or class-II legal heir. It only refers to word "legal heir"."*

- The Delhi High Court in the case *M/s ND Info Systems Pvt. Ltd. vs. Rehabilitation Council of India* (OMP (I) (COMM.) 382 of 2025) held that mandatory injunctions under Section 9 of the Arbitration and Conciliation Act, 1996 is conditional on clear, compelling, and exceptional circumstances, guided by the principles of balance of convenience, irreparable harm, and the requirement of what is "just and convenient." The Single-Judge Bench comprising Justice Jasmeet Singh observed *"The legislative intent behind section 9 is to enable the Court to preserve the subject matter of the arbitral dispute, and therefore its scope cannot be narrowly confined to prohibitory injunctions alone. At the same time, the grant of a mandatory injunction is an extraordinary relief which cannot be exercised in a routine manner. It is consistently held that such relief can only be granted when a strong prima facie case is made out, where withholding would result in greater injustice than granting. Thus, while section 9 empowers the Court to issue mandatory injunctions, the exercise of such discretion is conditioned upon clear, compelling, and exceptional circumstances, guided by the principles of balance of convenience, irreparable harm, and the requirement of what is just and convenient."*

NOTIFICATIONS / AMENDMENTS INSIGHTS

- The Department of Telecommunications ("**DoT**") released the Draft Telecommunications (Regulation of Restructuring or Acquisition of Authorised Entities) Rules, 2025 vide Notification No. G.S.R. 690(E) dated September 19, 2025, under the powers conferred by the Telecommunications Act, 2023. These draft rules aim to regulate mergers, acquisitions, and restructuring activities involving entities authorized to provide telecommunication services in India. Key provisions include requirements for prior written approval from the DoT for such corporate changes, obligations to disclose direct and indirect shareholding and control structures, and the necessity for compliance with the specified rules. Stakeholders are invited to submit their objections or suggestions within 30 days from September 22, 2025.
- The Department of Telecommunications ("**DoT**") has released draft rules for the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025 vide Notification No. G.S.R. 614(E) dated 10th September 2025, signalling a shift from the traditional licensing model to an authorisation-based regime. Under the draft, entities may optionally migrate existing telecom licenses into the new authorisation framework, with each authorisation being valid for 20 years (subject to revocation) and subject to key obligations such as integration with Centralised Monitoring System (CMS) or Internet Monitoring System (IMS), and provision of lawful interception systems at their own cost. The proposals also impose strict security and data localization mandates, for instance, telecom traffic must pass through Indian gateways and cannot be mirrored abroad.
- The Immigration and Foreigners Act, 2025 (No. 13 of 2025) came into effect on September 1, 2025, which consolidates and modernizes India's immigration laws by repealing four outdated statutes: the Passport (Entry into India) Act, 1920; the Registration of Foreigners Act, 1939; the Foreigners Act, 1946; and the Immigration (Carriers' Liability) Act, 2000. Key provisions of the Act include stricter penalties for the use or supply of forged travel documents, with imprisonment ranging from 2 to 7 years and fines between INR 1,00,000/- (Indian Rupees One Lakh) and INR 10,00,000/- (Indian Rupees Ten Lakh). It also mandates the reporting of foreign nationals' details by hotels, educational institutions, hospitals, and airlines, and empowers the Central Government to regulate or shut down premises frequented by foreigners for national security reasons. Additionally, the new Act grants statutory authority to the Bureau of Immigration to identify, detain, and deport illegal foreigners. These measures aim to enhance national security and streamline the management of foreign nationals in India.
- On September 15, 2025, the Reserve Bank of India has issued a Master Direction for on Regulation of Payment Aggregators ("**PAs**") vide circular RBI/DPSS/2025-26/141 CO.DPSS.POLC.No.S-633/02-14-008/2025-26, consolidating and replacing prior circulars, with immediate effect. The Direction mandates that non-bank entities engaging in the PA business must obtain formal authorisation and meet minimum net-worth requirements (INR 15 crore at application, rising to INR 25 crore by the third year). It sets detailed rules for governance, risk management, security, fraud prevention, escrow account structure, KYC and merchant due diligence, dispute handling, and periodic reporting. Special provisions are included for cross-border PA operations, including separate accounts, limits on outward transactions, and compliance with FEMA and foreign exchange norms. The Direction also introduces baseline technology recommendations (e.g. encryption, PCI standards, audits) as mandatory elements.



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- On September 4, 2025, the Ministry of Corporate Affairs notified the Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025 vide Notification no. G.S.R 603 (E), to broaden the ambit of fast-track mergers/demergers under Section 233 of the Companies Act, 2013. The revised Rule 25 now explicitly allows mergers or demergers involving unlisted companies, group subsidiaries (even where shareholding is not 100 %), and certain intra-group restructurings to qualify for the faster procedural route. Additional amendments refine filing formats (CAA-9, CAA-10, CAA-10A, CAA-11), increase disclosure obligations, and require involvement of sectoral regulators and stock exchanges in certain cases.



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DEALS THIS MONTH

- Surat-based company 'Rocket' (formerly known as Dhiwise), developing AI-powered tools to convert natural language into production-ready applications, has raised USD 15 million in a seed funding round led by Salesforce Ventures and Accel, with participation from Together Fund. The infusion will support international expansion, product development, and establishing a headquarters in North America. This round underscores investor confidence in Rocket's potential to streamline app development through low-code / no-code with AI enhancements.
- 'Handpickd', a 'zero-forecasting, zero-inventory, zero-warehousing' fresh commerce platform, has raised USD 15 million in Series A funding led by Bertelsmann India Investments, with Titan Capital Winners Fund and existing backers participating. The company aims to make same day produce harvests accessible to customers eliminating the need for storage facilities and improving product freshness. The capital will be deployed to expand its just-in-time supply chain, scale operations across key Indian metros, and bolster its tech and logistics infrastructure. The oversubscription and support from strategic investors reflect confidence in Handpickd's hyperlocal model.
- Bengaluru-based Emergent, an "agentic" app development platform, has raised USD 23 million in a Series A round led by Lightspeed India, with backing from Together Fund, Y Combinator, Prosus Ventures, and high-profile angels including Jeff Dean and Balaji Srinivasan. Notably, Emergent claims to have scaled to USD 15 million in Annual Recurring Revenue (ARR) in just 90 days post-launch. The funding is aimed at accelerating product features, global expansion, and deeper integration of AI agents in the app-building workflow.
- Digital gold savings app 'Gullak' has raised USD 7.5 million in a funding round led by Chiratae Ventures, with support from White Venture Capital. The funds will fuel user acquisition, deepen technology investments, and scale offerings in the retail savings / micro-investment space. The raise signals continued investor interest in fintech products that enable small, recurring investments in precious assets.
- Cloud-kitchen major Rebel Foods has secured INR 150 crore (~USD 17 million) via non-convertible debentures (NCDs), carrying a 13.9% coupon and maturing in three years. The issuance includes 15,000 NCDs valued at INR 1 lakh each, split between Alteria Capital (INR 90 crore) and InnoVen Capital (INR 60 crore). Rebel will use the proceeds to strengthen its supply chain, facility expansion, and ensure greater operating flexibility without diluting equity.



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