



SAGA LEGAL

COMMUNIQUE

FEBRUARY 2026

Delhi | Bengaluru | Mumbai | Hyderabad



SAGA LEGAL

TABLE OF CONTENTS

Courts this Month:

(i) Supreme Court..... **1**

(ii) High Courts..... **4**

Notifications/Amendments Insight..... **6**

Deals of the Month..... **8**



SAGA LEGAL

SUPREME COURT THIS MONTH

- The Hon'ble Supreme Court in the case *State of West Bengal vs. Jai Hind Pvt. Ltd. (Civil Appeal No. 7407 of 2012)* iterated that the power of review is a fundamental function of the judiciary alone and cannot be done by either executive or statutory authorities unless legislature specifically confers such jurisdiction. The Court was hearing an appeal where a Revenue Officer sought to reopen a decades-old vesting order, relying on a government notification that had vested civil court powers in revenue authorities. The Bench comprising Justice M. M. Sundaresh and Justice N Kotiswar Singh observed *"Separation of power and independence of the judiciary have been considered integral parts of the basic structure of our Constitution as propounded in Kesavananda Bharati v. State of Kerala, and reiterated in subsequent decisions of Minerva Mills Ltd. v. Union of India, I.R. Coelho v. State of T.N ... The power of review is essentially a core judicial function, and conferring such a power upon executive authorities, absent an express legislative mandate, would blur the constitutionally mandated demarcation between the executive and the judiciary, permit the executive authorities to sit in judgment over their own decisions, and erode the rule of law by diluting finality."*
- The Hon'ble Supreme Court in the case *X vs. Y (Special Leave Petition (Crl.) No. 4452 of 2025)* ruled that allegations of rape on the false promise of marriage cannot be raised by a married woman. The Court was hearing an appeal on a matter where a married advocate entered into a consensual relationship with another advocate and later raised an allegation of rape on false promise of marriage under Section 376 of the Indian Penal Code. The Bench comprising Justice B.V. Nagarathna and Justice Ujjal Bhuyan observed *"this Court has, on numerous occasions, taken note of the disquieting tendency wherein failed or broken relationships are given the colour of criminality. The offence of rape, being of the gravest kind, must be invoked only in cases where there exists genuine sexual violence, coercion, or absence of free consent. To convert every soured relationship into an offence of rape not only trivialises the seriousness of the offence but also inflicts upon the accused indelible stigma and grave injustice. Such instances transcend the realm of mere personal discord. The misuse of the criminal justice machinery in this regard is a matter of profound concern for the judiciary already facing a heavy load and calls for condemnation."*
- The Hon'ble Supreme Court in the case *Ankim Holdings vs. Zaveri Constructions Pvt. Ltd. (Civil Appeal No. 779 of 2026)* iterated that High Courts lack jurisdiction to declare arbitral proceedings as a nullity under Section 15 of the Arbitration and Conciliation Act, 1996, even if it were done during a moratorium under the Insolvency and Bankruptcy Code, 2016 ("**IBC**"). The Court was hearing a matter which arose from an appeal against the Bombay High Court's decision which, despite naming a substitute arbitrator, ruled that the arbitral proceedings were void because they took place during the moratorium under the IBC. The Division Bench comprising Justice J.B. Pardiwala and Justice K.V. Viswanathan observed *"the proper and legal course for the High Court acting under Section 15(2) of the Act, 1996, should have been to appoint a substitute arbitrator to continue from the existing stage of the proceedings. ... This Court has time and again said that the object of speedy resolution of disputes by arbitration would best be subserved by a substitute arbitrator continuing at the point at which the earlier arbitrator has left off. ... There is no doubt that the High Court assumed and exercised power which has clearly not been conferred by the Act, 1996, more particularly, wherein the statute itself envisages minimal judicial intervention."*
- The Hon'ble Supreme Court, in the case of *M/S Cochin International Airport Limited vs. The State Information Commission and Anr., SLP(C) No. 23330-23345/2025*



SAGA LEGAL

affirming the Kerala High Court's decision concerning Cochin International Airport Ltd. ("**CIAL**"), upheld that CIAL is a "public authority" within the meaning of the Right to Information Act, 2005, and therefore subject to the transparency obligations under the statute. The Court was hearing an appeal filed by CIAL against the High Court orders which had sustained the State Information Commission's 2019 finding and directed CIAL to disclose information sought under the RTI Act. The Bench comprising Justice Vikram Nath and Justice Sandeep Mehta, declined to interfere with the High Court's view that the Kerala Government exercises deep and pervasive control over CIAL, but waived the cost of Rs. 1 lakh imposed on the Managing Director.... *"It is held that CIAL is a 'public authority' under Sec. 2(h)(d)(i) of the RTI Act. The view taken by SIC in the impugned order dated 20.06.2019 is affirmed, holding that CIAL is bound to divulge necessary information and meet the statutory obligations placed upon its shoulders vide the various provisions of the RTI Act, including the appointment of PIO and divulging of necessary information in the said regard."*

- The Hon'ble Supreme Court in the case of *Vandana Jain & Ors. vs. State of Uttar Pradesh & Ors.* (Neutral Citation: 2026 INSC 192) stated that the mere absence of a document in official records after the passage of time does not ipso facto render it forged. To constitute forgery, the Court clarified, there must be specific allegations attracting the definition of a "false document" under Section 464 of the Indian Penal Code, 1860 ("**IPC**"). The Court was hearing a criminal appeal challenging the dismissal of a writ petition seeking quashing of an FIR registered under Sections 406, 420, 467, 468 and 471 IPC in relation to a Joint Venture Agreement concerning the development of immovable property. The Bench comprising Justice Pamidighantam Sri Narasimha and Justice Manoj Misra examined whether the allegations in the FIR disclosed the commission of cognizable offences

offences or merely reflected a civil dispute arising from contractual obligations, and observed that *"merely because a document is not traceable in the records after several years of its issuance, it cannot be said that the document is forged."*

- The Hon'ble Supreme Court in the case of *New India Assurance Co. Ltd. vs. Rekha Chaudhary & Ors.*, (Civil Appeal No. 174 of 2026), held that an insurance company cannot be made liable to pay the penalty imposed under Section 4A(3)(b) of the Employees' Compensation Act, 1923, as such penalty arises from the personal fault of the employer and must be borne by the employer alone. The Court was hearing an appeal against a Delhi High Court judgment that had fastened a 35% penalty on the insurer along with compensation and interest; the Bench comprising Justice Aravind Kumar and Justice Prasanna B. Varale, observed that *"The legislative intent behind severing the penalty component was to address larger predicament of easing the burden of indemnifiers who were adversely impacted by the obligation to pay the penalty which was not even the natural corollary of the obligation on their part under the indemnity contract... rather such additional burden by way of penalty arose consequent to the default of obligation on the part of employer"*.
- The Hon'ble Supreme Court in the case of *Rakesh Mittal vs. Ajay Pal Gupta @ Sonu Chaudhary & Anr.*, (2026 INSC 161), held that the principles governing bail in heinous offences are equally applicable to serious economic offences, since such crimes erode not only individual rights but also the economic well-being and quality of life of citizens. The Court was hearing an appeal against an order of the Allahabad High Court (Lucknow Bench) granting bail to an accused alleged to be a habitual financial offender who had cheated a foodgrain supplier of over INR 6 crore using forged identity documents and multiple aliases. The Bench comprising Justice Sanjay



SAGA LEGAL

Kumar and Justice K. Vinod Chandran found that the High Court had mechanically applied the parity principle while ignoring the accused's past criminal antecedents, use of fake identities, and role as the alleged mastermind, and therefore set aside the bail order, reiterating that courts may cancel or interfere with bail even absent supervening circumstances where such vital factors have been disregarded... *"Though the observations made in some of the above cases were in the context of heinous offences, which is not the case presently, we may note that the value of life and liberty of members of society is not limited only to their 'person' but would also extend to the quality of their life, including their economic well-being."* It further observed, *"In offences of a pecuniary nature, where innocent people are cheated of their hard-earned monies by conmen... the aforesaid factors must necessarily be weighed while dealing with the alleged offenders' pleas for grant of bail."*



SAGA LEGAL

HIGH COURTS THIS MONTH

- The Delhi High Court in the case *GBL Chemicals Limited vs. State (NCT of Delhi) (CRL.M.C. 2155 of 2025)* ruled that even if the individual who was signatory of a dishonoured cheque is removed as an accused, it still does not automatically result in the company or its directors being exonerated under Section 138 of the Negotiable Instruments Act, 1881, as the offence is fully committed at the time of dishonour and subsequent failure to pay after notice, and resignation of the signatory does not give any immunity to the company or continuing directors. The Single-Judge Bench comprising Justice Neena Bansal Krishna observed *“the dropping of the signatory of Cheques from these proceedings, does not result in the automatic collapse of the Complaint against the Petitioner Companies and the other Directors, ... the statutory presumptions and the principles of corporate vicarious liability necessitate that the matter proceeds to trial.”*
- The Calcutta High Court in the case *Arnab Paul vs. The State of West Bengal (CAN No. 1 & 2 of 2025)* stated that the matter of assigning investigation to a specific agency is at the discretion of the Court and an accused has no right of hearing as regards the manner and method of investigation except subject to certain exceptions. The Single-Judge Bench comprising Justice Surva Ghosh observed *“In a catena of judgments including the authority relied upon by the applicants, the Hon’ble Supreme Court has observed that the accused has no right of hearing as regards the manner and method of investigation and save under certain exceptions, has no participation as a matter of right during the course of the investigation of a case instituted on a police report till the investigation culminates in filing of a final report under Section 173(2) of the Cr. P. C. Even in a proceeding instituted otherwise than on a police report, till the process is issued under Section 204 of the Code and in cases where cognizance of an offence is taken on a complaint notwithstanding that the said offence is triable by a Magistrate or exclusively by a Court of Sessions, the accused has no right to participate till the process is issued. The matter of entrusting investigation to a particular agency is basically at the discretion of the Court.”*
- The Delhi High Court in the case *X vs. Y (CRL.M.C. 8722 of 2024)* ruled that an aggrieved woman cannot insist a right to enter matrimonial home where alternative accommodation is available to her under Section 19 of the Protection of Women from Domestic Violence Act, 2005. The Single Bench comprising Justice Ravinder Dudeja observed *“The relief under Section 19 is discretionary and equitable. The DV Act balances the rights of the aggrieved woman with the rights of other occupants and owners. Compelling the restoration in the present case would disturb the settled possession of the current occupants and convert a protective statute into a rule for re-entry to any past residence and thus would amount to travelling beyond the legislative intent. ... Therefore, in view of the availability of suitable alternate accommodation of the same standard and the discretionary and protective nature of relief under Section 19, the petitioner is not entitled to a residence order directing restoration or re-entry”.*
- The High Court of Karnataka in the case *Glastronix LLP vs. The President / General Secretary (W.P. No. 3784 of 2026)* ruled that labour courts, tribunals and other statutory authorities under the Industrial Disputes Act, 1947, shall continue to maintain jurisdiction until new Tribunals are formed under the new Industrial Relations Code, 2020. The Single Bench comprising Justice Anant Ramanath Hegde observed *“If under the said provision the jurisdiction of the Courts and Tribunals under the Act, 1947 is restored, then, it violates Section 51 of the Code, 2020 as such, such an exercise is impermissible. Thus, the contention that jurisdiction of the Courts and Tribunals under the Act, 1947 are restored or will continue till the establishment of the Tribunals under the Code, 2020 in view of notification under Section 103 of the Code, 2020 cannot be accepted.”*



SAGA LEGAL

- The High Court of Madhya Pradesh in the case *M/s Jai Prakash Associated Pvt. Ltd. v. The State of Madhya Pradesh (Misc. Petition No. 6936 of 2019)* ruled that stamp duty is to be determined as per the date of execution of a document rather than the date on which it is impounded or when an order of such nature is passed by the Registrar. The Division Bench comprising Justice Vivek Rusia and Justice Pradeep Mittal held *“Under Section 23 of the Registration Act, 1908, a document must be presented for registration within four months from the date of its execution. Failure to submit within prescribe period, late payment of stamp duty attracts a penalty, if a document is submitted for registration significantly later than its execution, the Sub-Registrar might assess the duty based on the market value of the property at the time of submission. Therefore, it is clear from the relevant law and rules that stamp duty is to be determined with reference to the date of execution of the document, and not on the date when the document is impounded or when an order is subsequently passed by the Registrar of Stamps.”*
- The Bombay High Court in the case *X vs. Y (Crl. Rev. P. 101 of 2021)* iterated that a woman in a de facto marriage is entitled to receive maintenance and protection coverage under the Protection of Women from Domestic Violence Act, 2005 (“**DV Act**”), even if there exists no formal legal proof of marriage, so as long as an existing domestic relationship in the nature of a marriage can be established. The Court clarified the intent of the DV Act being to protect women in a domestic relationship rather than focusing on the legal status of the relationship. The Single-Judge Bench comprising Justice Abhay S. Waghvase observed *“there is material to draw inference that there were relations in the nature of marriage. Petitioner no.1 wife has invoked Section 12 of the DV Act. The object of the said Act is to grant and ensure protection and maintenance to a woman which is its salient feature. Consequently, though there is no legal proof of alleged marriage at [Verul], there is other material as stated above including evidence of petitioner’s son from first marriage, her sister and her brother-in-law, who too claimed and endorsed relations between the parties as husband and wife.”*
- The Delhi High Court in the case *Rakesh Ray vs. Priti Ray (Crl. Rev. P. 718 of 2024)* stated that treating non-earning spouses as “idle” and demonstrating their capability to earn does not form a valid ground to deny maintenance in the absence of proof of actual income. The Court added that describing the non-employment of a non-earning spouse as idleness reflects a misunderstanding of domestic contribution and that while one spouse brings in monetary income, the time, effort, and opportunity costs dedicated by the other spouse into sustaining the family structure cannot be dismissed as lacking in value. The Single-Judge Bench comprising Justice Swarna Kanta Sharma observed *“The capacity to earn and actual earning are distinct concepts, and as per settled law, mere capacity to earn cannot be a ground to deny maintenance. The real test is whether the wife is actually earning. ... The assumption that a non-earning spouse is “idle” reflects a misunderstanding of domestic contribution. Managing a household, caring for children, supporting the family, and adjusting one’s life around the career and transfers of the earning spouse are all forms of work, even though they are unpaid and often unacknowledged. ... Where one spouse earns income in the marketplace and the other sustains the domestic sphere, the economic stability of the household is the result of combined, though differently manifested, contributions. A homemaker does not “sit idle”; she performs labour that enables the earning spouse to function effectively. To disregard this contribution while adjudicating claims of maintenance would be unrealistic and unjust.”*



SAGA LEGAL

NOTIFICATIONS / AMENDMENTS INSIGHTS

- The Reserve Bank of India (“**RBI**”) on 26th February, 2026 through Notification No. RBI/DoR/2025-26/224 DoR.GOV.REC.No.414/18.10.008/2025-26 issued the Non-Banking Financial Companies (“**NBFC**”) – Miscellaneous Amendment Directions, 2026 to provide targeted regulatory relief and operational flexibility for specific NBFC entities. For example, the RBI has granted the National Urban Co-operative Finance & Development Corporation the ability to privately place equity to more than 200 subscribing co-operative banks, a departure from the usual statutory cap, to accelerate the inducting of Urban Co-operative Banks as members. Conditions include board-approved resource planning policies, restrictions on loans against own shares and quarterly reporting to the RBI, with the amendments remaining in force until March 31, 2029 unless otherwise revised.
- The RBI on 9th February, 2026 through Notification No. FEMA 3(R)(5)/2026-RB issued the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026 which rationalises and modernises the external commercial borrowing (“**ECB**”) framework under Foreign Exchange Management Act, 1999 by revising definitions, expanding eligible borrowers and recognised lenders, rationalising borrowing limits and average maturity norms, relaxing cost restrictions, revising permitted end-uses, and simplifying reporting requirements for ECB transactions. The amendments consolidate ECB-related provisions previously scattered across different master directions and clarify eligibility and procedural norms for both foreign currency and INR borrowings, while ensuring continuity for loans registered before the amendments.
- The RBI on 13th February, 2026 through Notification No. RBI/2025-26/209DOR.STR. REC.412/21-07-001/2025-26 issued the Non-Banking Financial Companies – Credit Facilities Amendment Directions, 2026 to update the regulatory framework governing how NBFCs structure and extend credit facilities. These amendments, which modify the 2025 Directions, refine definitions, expand permissible structures and clarify prudential requirements such as collateral treatment, risk concentration limits, documentation norms, and conditions for issuance of guarantees and co-acceptances. The direction aims to align NBFC credit operations with evolving market practices, broaden funding sources for infrastructure financing, and protect credit quality across NBFC portfolios.
- The Securities and Exchange Board of India (“**SEBI**”) through its Notification No. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 on 9th February, 2026 has updated the Master Circular for Issue of Capital and Disclosure Requirements, consolidates and updates existing regulations governing public issues, rights issues, bonus issues, preferential issues, QIP offerings, institutional placements and associated disclosures for listed entities and issuers. The circular serves as a single reference for compliance obligations on public capital raising and ongoing disclosure standards, streamlining requirements and clarifying procedural and documentation norms for issuers, merchant bankers, and other market intermediaries to enhance transparency, investor protection, and ease of capital market participation.
- The Ministry of Corporate Affairs (“**MCA**”) on 24th February, 2026 through a General Circular No. 01/2026 introduced the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026), a one-time initiative running from April 15 to July 15, 2026, that allows companies to



SAGA LEGAL

regularise long-pending statutory filings such as annual returns and financial statements at significantly reduced additional fees (generally 10% of the usual penalty) alongside normal filing charges. The scheme also provides reduced penalties for promoters seeking to strike off defunct companies, encouraging large numbers of defaulting or non-compliant companies to become compliant and clear prior regulatory backlogs, thereby improving overall corporate governance standards.






SAGA LEGAL

DEALS THIS MONTH


- Hyderabad-based defence technology startup Constelli has secured USD 20 million in a funding round led by General Catalyst, with participation from 360 One Asset Management and existing investor Pravega Ventures. The company develops electronic intelligence and signal processing systems for platforms including drones, naval vessels, satellites and ground units, and plans to use the fresh capital to accelerate R&D, build rapid prototyping infrastructure and advance next-generation electronic warfare and communications payloads, reflecting heightened investor interest in India's indigenous defence tech sector.
- MeltPlan, an AI-driven pre-construction planning platform co-founded by Kanav Hasija and Tanmaya Kala, has raised USD 10 million in a seed funding round led by Bessemer Venture Partners with participation from noa, bringing its total capital raised to USD 14 million. The startup is building a comprehensive AI "planning engine" designed to optimise key preconstruction decisions spanning compliance, cost, scheduling and value trade-offs aimed at reducing cost overruns and delays in the USD 14 trillion global construction industry, and the funds will be used to accelerate product development and team expansion.
- Creator economy-focused commerce platform Wishlink has raised USD 17.5 million in a Series B funding round led by Vertex Ventures Southeast Asia & India, with continued participation from existing backers Fundamentum and Elevation Capital. The Gurugram-headquartered startup enables product discovery and purchases through influencer-generated content, and plans to deploy the fresh funds to expand creator and brand partnerships and enhance its technology stack to improve shopping experiences and monetisation opportunities for creators.
- AI application infrastructure startup Portkey has secured USD 15 million in a Series A funding round led by Elevation Capital, with participation from Lightspeed. Portkey provides a unified AI control plane that helps enterprises govern, observe and manage AI workloads supporting features such as identity, permissions and budget tracking aiming to improve reliability and governance for production-grade AI systems and scale its go-to-market operations.
- Aviation and deep-tech venture LAT Aerospace, co-founded by Deepinder Goyal, has completed the acquisition of Gurgaon-based defence robotics startup Sharang Shakti. The acquisition marks LAT Aerospace's strategic entry into defence technologies integrating capabilities in autonomy, perception, sensing, navigation and control systems and is expected to bolster its core tech stack for both defence and civil aerospace applications.



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

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

 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.