



REDDY & REDDY

LAW FIRM

OCTOBER
EDITION



REDDY & REDDY LAW FIRM

ABOUT US

Based in Pune, REDDY & REDDY Advocates & Legal Consultants is a law firm that offers a full range of legal services on all aspects of the Indian law to a diversified client base, including well-known multi-national corporations functioning in India. We are motivated, dedicated and experienced legal advisers, aiming at becoming one of the leading law firms in India.

WHY US?

Our firm works to understand not only our clients' business and industry, but also their legal needs, in order for us achieve their objectives. We know that we perform best when we integrate our advice within the context of the business imperatives facing our clients, combining our efforts to assist our clients in overcoming their challenges and achieving their goals.

OCTOBER OUTLOOK

The Referee Is Under Review: Democracy Takes to the Streets

When the umpire becomes part of the match, everyone suddenly has an opinion on the rulebook. The protests against the Election Commission of India over the **Special Intensive Revision (SIR)** of electoral rolls have brought voter lists, institutional accountability and electoral transparency into the political spotlight. Opposition parties have questioned the exercise and demanded greater accountability. The INDIA bloc has held a symbolic “**people’s impeachment**” in Delhi against alleged irregularities in the SIR, ahead of a rally at **Ramlila Maidan on 1st November**. Their demands include restoring the names of eligible voters removed from the rolls and the resignation of **Chief Election Commissioner Gyanesh Kumar**. The Commission, meanwhile, maintains that the revision is aimed at ensuring accurate electoral rolls. The disagreement has spilled beyond press conferences and political statements, turning the process of deciding who gets to vote into a debate of its own. Between accusations, official clarifications and demands for answers, one thing is certain: democracy comes with a lot of paperwork, and occasionally a street-side review meeting. Whether the controversy leads to greater clarity or more political sparring, the real test lies in ensuring that every eligible voter gets a fair chance to have their say.

After all, in a democracy, even the referee’s decisions are up for discussion.



CRIMINAL & WHITE-COLLAR

01 Supreme Court grants bail to Sahara Group executive in PMLA case

In Anil Valiamparampil Abraham v. Directorate of Enforcement (order dated 16 October 2026), the Supreme Court set aside the Calcutta High Court's order refusing bail in a money laundering case under the PMLA. The Court took note that the appellant had been in custody for about 1 year and 3 months, that cognizance had yet to be taken against him, and that the trial was likely to take considerable time. It held that continued incarceration was not required, granted bail on conditions to be set by the trial court, and directed the trial court to frame charges within 4 months.

02 Supreme Court quashes cheating FIR against GPA holder in civil land dispute

The Supreme Court quashed an FIR for cheating registered against a General Power of Attorney holder in a land sale dispute. It held that the ingredients of cheating were absent and that the dispute was purely civil in nature, observing that the criminal complaint cast the shadow of criminality on a pure civil dispute. The ruling is a useful reminder that criminal proceedings cannot be used as a pressure tactic in commercial or property disagreements that are essentially contractual.

CORPORATE & COMMERCIAL

03 SEBI amends LODR Regulations; listing of non-convertible debt securities rationalised

SEBI has notified the Third Amendment to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amending Regulation 62-A.

SEBI has notified the Third Amendment to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amending Regulation 62-A. The mandatory listing requirement for non-convertible debt securities is now simplified and restricted to debt securities issued after a listed entity's debt securities have already been listed on a stock exchange. The change reduces the compliance burden for listed entities that raise debt, and issuers should revisit their listing checklists for upcoming debt issuances.

SEBI amends InvIT Regulations: depository receipts and revised unitholder approvals

04

SEBI has notified the SEBI (Infrastructure Investment Trusts) (Second Amendment) Regulations, 2026. The amendment permits the issuance of depository receipts on InvIT units and revises the methodology for obtaining specified unitholder approvals. It also introduces an exit option for dissenting unitholders when a sponsor exits an InvIT that has multiple sponsors. Sponsors, managers and investors in infrastructure trusts should review their structures and approval processes in light of these changes.

Delhi High Court declares award unenforceable over repeated unilateral appointment of same arbitrator

05

In Shikha Ghosh v. Axis Bank Ltd., a Division Bench of the Delhi High Court declared an arbitral award unenforceable against the borrower after the bank conceded that awards passed by unilaterally appointed arbitrators are void ab initio. The Court observed that the repeated unilateral appointment of the same arbitrator by one party, reportedly in 4,155 cases, strikes at the neutrality envisaged under the Arbitration and Conciliation Act, 1996. It allowed the appeal and directed Axis Bank and the RBI to file fresh affidavits. Businesses should re-examine arbitration clauses that let one party nominate the arbitrator.



06

Supreme Court: Pondicherry electricity subsidy is a revenue receipt

In *MEPCO Industries Ltd. v. CIT* (decided 7 October 2026), the Supreme Court dismissed an appeal against the Madras High Court and held that the electricity subsidy received under the Pondicherry Government's Power Subsidy Scheme is a revenue receipt. Applying the purpose test, the Court said the character of a subsidy depends on the purpose for which it is given, and the scheme must be examined as a whole. The general object of fostering industrial growth cannot, by itself, decide whether the receipt is capital or revenue. Industrial units on State incentive schemes should recheck how such receipts are treated for tax.

BANKING & INSOLVENCY

07

Supreme Court: Information Utility record of default suffices for IBC Section 7 admission

In *Deepak Raheja v. Omkara Assets Reconstruction (P) Ltd.* (2026 SCC OnLine SC 2184), the Supreme Court dismissed two appeals against NCLAT orders upholding the admission of GSTAAD Hotels Pvt. Ltd. and Neo Capricorn Plaza Pvt. Ltd. into CIRP. It held that at the admission stage default need only be shown on a preponderance of probabilities from the documents on record. The adjudicating authority need not work out the exact amount owed, a record of default from an Information Utility is enough by itself, and a company being profitable is no answer to default. CIRP will proceed against both companies.

08

Supreme Court: IBC Section 62 appeal limitation runs from NCLAT pronouncement

In *Commissioner of Central Tax v. Sreenivasa Rao Ravinuthala* (2026 SCC OnLine SC 2150, decided 14 October 2026), the Supreme Court held that limitation for an appeal under Section 62 of the IBC begins on the date NCLAT pronounces its order. Only the time requisite for obtaining the certified copy can be excluded under Section 12(2) of the Limitation Act, 1963, and the period of inaction before applying for the copy cannot be excluded. As the appeal was filed beyond the 45-day limit and the further 15 days that can be condoned, it was dismissed as time-barred. Parties should calendar IBC appeals from the date of the order.

09

9. NCLT Mumbai rejects third party's claim to goods held by company in CIRP

In *Ancile Investment Co. v. Anshul Gupta*, Resolution Professional of Arch Pharmalabs Ltd., NCLT Mumbai Bench-II dismissed two applications under Section 60(5) of the IBC in which Ancile sought exclusion and return of pharmaceutical goods it said belonged to it. The Tribunal held that Ancile had failed to establish its entitlement to the specific goods or to make out a case for excluding them from the corporate debtor's assets. It also held that the application seeking disclosure of additional documents and information was not maintainable. Suppliers and lessors should keep clear proof of ownership of goods lying with customers.



LABOUR & EMPLOYMENT

10

Nine-Judge Bench: Triple Test continues to govern "industry" under Industrial Disputes Act

In State of U.P. v. Jai Bir Singh (decided 20 August 2026; explained by SCC Times on 7 October), a nine-judge Constitution Bench held by a 5:4 ratio that the Triple Test in Bangalore Water Supply remains the governing framework for Section 2(j) of the repealed Industrial Disputes Act. The Chief Justice's opinion set out a reformulated test requiring a discernible commercial character analogous to trade or business, but said it does not displace the position for pending proceedings. Pending matters will continue under the original test, while the Industrial Relations Code, 2020 must be interpreted independently on its own terms.

11

Bengaluru court holds whistleblower's termination wrongful; awards Rs 3.67 crore

In a suit decided on 16 October 2026, a Bengaluru civil court held that the termination of a former Head of Health and Benefits at Willis Towers Watson India Insurance Brokers was wrongful and unlawful. It held that the employer's contractual power to terminate could not override its whistleblower and non-retaliation obligations. The Court awarded special damages of Rs 3,67,97,082 against four defendants jointly and severally, based on a loss-of-income comparison. It also directed a perjury complaint against two senior executives, and rejected the plaintiff's defamation claims as time-barred. Employers should review whistleblower policies and the way they handle terminations after complaints.

Government fixes Employees' Pension Scheme wage ceiling at Rs 15,000

12

On 15 October 2026, the Ministry of Labour and Employment notified an amendment (G.S.R. 890(E)) to the Employees' Pension Scheme, 2026 under Section 15(1)(b) of the Code on Social Security, 2020. Paragraph 4(2) now expressly fixes the wage ceiling at Rs 15,000 per month for the Central Government's contribution, in place of a sum to be specified by the Central Government. The amendment also omits the words "and the Central Government" from the first proviso and is deemed to have come into force on 17 September 2026. Employers should check their payroll and provident fund contribution calculations accordingly.



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